MONTEA

SPACE FOR GROWTH

ANNUAL REPORT 2015

Table of Contents

Montea Comm. VA is a public regulated real estate company (RREC) under Belgian law (SIR – SIIC), specialising in logistics property in Belgium, the Netherlands and France (**Montea** or the **Company**).

The company is a leading player in this market. Montea literally provides its clients with the space to grow, through flexible and innovative property solutions.

On 31 December 2015, the property portfolio represented a surface of 749,009 m² across 45 sites. Montea Comm. VA has been listed on the 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 property and who are seeking to achieve a relatively high dividend yield while incurring a moderate risk.

Montea Comm. VA | Industrielaan 27 – Box 6 | B-9320 Erembodegem (Aalst)
Tel: +32 (0) 53 82 62 62 | Fax: +32 (0) 82 62 62 61| www.montea.com
RPR-RCB Dendermonde | VAT BE 0417 186 211

SEND US YOUR QUESTIONS OR COMMENTS: investorsrelation@montea.com
DESIGN AND REALISATION: Montea

The Board of Directors of Montea Management NV, statutory business manager of Montea Comm.VA, who's statutory office is situated at 27 Industrielaan, 9320 Erembodegem, is responsible for the contents of this registration document and hereby declares that it has taken every reasonable measure to ensure that the contents of the registration document correspond with reality.

Ce rapport financier annuel est également disponible en Français.
Dit financieel jaarverslag is eveneens verkrijgbaar in het Nederlands.

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

The annual financial 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 notes 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.

When information of third parties is recorded in this document, it is confirmed that this information is correct and that no data have been omitted resulting in the information reproduced being incorrect or misleading.

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

Montea is a public regulated real estate company and comes under the supervision of the FSMA (Financial Services and Markets Authority) in Belgium.

Montea has lodged an application with the FSMA to have this annual financial report approved as a registration document in the sense of article 28 of the Act of 16th June 2006 relative to the public offering of investment instruments and allowing investment instruments to be traded on a regulated market. This approval had not yet been obtained on the date of the annual report being made available, but under normal circumstances, approval of the annual report as a registration document will have been obtained by the date of 19th April 2016. .

1. Risk factors

Montea has set itself the goal of developing a solid and diversified property portfolio as part of a strategy aimed at retaining ownership of its property for the long term in order to generate stable rental income that in turn will lead to a stable and, wherever possible, a growing dividend for its shareholders going forward.

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 and rental 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 necessary[1]. This report contains a non-exhaustive list of the main risks Montea can identify. This means that there may be other risks, hitherto unknown or improbable, that could have an unfavourable effect on Montea's business and financial position and perspectives.

1.1 Market risks

1.1.1 Risks associated with the economic climate

a) Description of the risks

Montea's business is subject to economic cycles. Macroeconomic indicators have a certain influence on investments and rental income with companies in the sector for logistics premises and these may have a negative effect on Montea's business on the one hand. These macroeconomic indicators also have an impact on sources of finance for existing and future investments on the other hand.

b) Management of the risks

Reference is made to point 1.1.2 of this annual report with regard to managing the risks involved with investments and rental income in the sector for logistics premises. Further reference is also made to point 1.3 in relation to managing risk regarding funding sources.

1.1.2 Risks associated with the property market

a) Description of the risks

The risks involved in the property market are falls in rents, reductions in property values and vacancies.

The level of rents, building values and vacancies or under-occupancy, are affected strongly by supply and demand in the market for selling and leasing property. For Montea, this relates in particular to logistics property.

---

[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, to the identified risks.

If it intends to safeguard its growth and yields, Montea must keep its occupancy rates up to the mark, as well as maintain its rent and value of the property when signing new lease contracts or renewing existing ones.

b) Management of the risks

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 (f.e. standard logistics warehouses, cross dock warehouses, conditioned warehouses, etc.);
- the diversification of its tenants;
- 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 (96.0% per 31/12/2015).

Montea has also been successful in maintaining its rent per m² when renewing existing lease contracts or signing new ones.

In the logistics sector, it is possible that when renegotiating or signing new lease contracts, that the base rent is retained (without indexation) or a rent-free period of 3 to 6 months is granted, depending on the length of the lease.

As a result of the approach it adopts, in most cases Montea has succeeded in obtaining a higher rent than the estimated rental value. Based on property assessments, Montea's average rents in relation to the estimated rental value of the space leased are 9.3% higher in Belgium, 9.6% higher in France but 2.2% lower in the Netherlands.

Montea's growth strategy guarantees optimal risk sharing[2] based on the following two pillars:

- the acquisition of buildings in Belgium, the Netherlands 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).

Montea also intends to continue expanding its assets, so that the relative importance of each building in its portfolio remains accordingly limited. We refer to the site Saint-Cyr-en-Val representing 14.9% of the total fair value of the portfolio as of 31/12/2010, while this site by 31/12/2015 only represents 7.7% of the total fair value of the portfolio. This is the result of the increase in the fair value of the property portfolio-buildings. For more information, we refer to section 4.3.1 and 4.3.2 of this annual report).

[2] Montea will, in the interest of its shareholders, provide the necessary diversification in terms of its tenants.

1.1.3 Concentration risk

In view of the scope of the projects in which Montea invests, there is the risk that it might become too dependent on the continued existence of a particular property entity or a contractual relationship with one particular client.

For this reason, Montea ensures that the risk is spread as much as possible. Under the terms of the RREC Act, Montea is not allowed to conduct any transaction that would result in over 20% of its assets being invested in a single property entity, or where that percentage should increase further if it is already more than 20% for one or more property entities. If the obligations mentioned above are not complied with at the time a transaction is carried out, the Company would have to submit an application to the FMSA for dispensation of the 20% limit or would have to take the necessary measures to return the size of the position back below the threshold of 20%[3].

As of 31st December 2015, none of Montea's client/tenants alone represented 20% of the total rental income nor did any one unit of property represent more than 20% of the portfolio. The contracted rental income of the largest tenant (FM Logistics in France) represents 9.1% of the total annual contracted rental income. The value of the largest unit of property in the portfolio represents 7.7% of the total fair value of the portfolio (Saint-Cyr-en-Val site in Orléans – France).

Also, as an RREC, Montea may invest a maximum 20% of its consolidated assets in "other property", as defined in article 2, 5° vi to x of the RREC Act. As of 31st December 2015, this threshold had not been exceeded by Montea.

1.1.4 Risk of inflation

a) Description of the risks

With fixed interest rates, Montea has only limited exposure to the risk of inflation, because the rental income is indexed annually. The impact of the index for 2015 was € 154K. The impact of the index can be estimated at € 0.3 million[4] with a variation of 100 basis points.

In the event of an increase in the nominal interest rates, a low inflation results in a rise of the real interest rates. This constitutes a significant risk through the increase in financial costs, which can be seen more quickly than the indexation of income.

b) Management of the risks

Montea has taken the following measures to cover itself against risks of this nature:

Montea controls this risk by including a clause in its lease contracts whereby the current rent is indexed. This clause also sets out a lower limit as the basic rent. Reference in this regard is also made to point 1.2.1 of this annual report.

On the other hand, the risk of rises in real interest rates is limited by taking out IRS-type hedging contracts for the vast majority of the company's funding, with variable interest rates. By doing so, the variable interest rate is swapped for a fixed interest rate. For more information, see point 1.3.3 of this annual report.

---

[3] For more information regarding the 20% rule, please see article 30, § 1 to 5 of the Law dated 12th May 2014 in relation to regulated real estate companies.

[4] Calculated based on Montea's net rental result at 31/12/2015.

1.2 Risks associated with Montea's property portfolio

The Board of Directors of the statutory manager of Montea and its management are fully aware of the importance of developing and sustaining firm governance and, as a result, maintaining a quality portfolio. Montea imposes strict, clear standards for (i) optimising and improving existing buildings, (ii) commercial management, (iii) the technical management of its buildings, and (iv) any investments made in existing buildings. The aim of these criteria is to limit vacancies, as well as to cause the value of Montea's property assets to increase sustainably and to the maximum.

1.2.1 Rental risks

a) Description of the risks

Montea's turnover largely 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 losing rental income due to the departure of tenants when their lease expires. There is a particular risk of it taking longer to find (suitable) new tenants and that when one is found, the new tenant stipulates a lower rent. These factors may have a negative effect on Montea's results. Consequently, the length of its leases also determines Montea's risk profile. At December 31, 2015 the length of the leases is 6.8 years based on the first break date.

b) Management of the risks

Montea actively manages and monitors its existing and future clients in order to minimise vacancies and the turnover of tenants in its property portfolio.

The vast majority of rental contracts includes annual indexation in the rent (in Belgium, indexation is based on the health index; in France, it is based on the construction cost index[5], while in the Netherlands, indexation is based on the consumer price index). All current lease agreements in Belgium, in France and in the Netherlands are subject to movements in the indices mentioned. None of the current rental income is exposed to a reduction in the initial rent as the result of any fall in the index.

Before a new client is accepted, its solvency is checked. On signing each lease agreement, an unconditional bank guarantee is required as a minimum in which the amount guaranteed corresponds with 3 to 6 months of rent and possibly a guarantee from the parent company. Rent is payable in advance on a monthly, bi-monthly or quarterly basis.

Montea also positions itself, in the context of alliances with third parties (project developers, land-owners, etc.), as an active partner in property developments. In these cases, prior to commencing the construction of a new development, Montea will have already signed a lease agreement with the tenant in question. For more information about these tenants, we refer you to section 4.3.2 of this annual report. Montea does not intend to become involved in speculative development projects (known as "blank" projects for which there are no tenants in place in advance).

Within the property sector, Montea focuses mainly on logistics property (warehousing and transhipment of goods) and makes every attempt to spread its risks in terms of the type of tenant/sector and the geographical location.

---

[5] ICC – indice de coût de construction.

1.2.2 Management of the real estate portfolio

a) Description of the risks

The Montea team, potentially assisted by external consultants, is responsible for the daily management of the buildings, handles the technical management of the property portfolio[6] and presents efficient and flexible solutions for improving the portfolio's quality and sustainability. Moreover, the team will make every effort to proactively minimise any possible vacancies.

The internal 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 a maintenance and renovation schedule to the investment committee and the Board of Directors for the purpose of securing optimal long-term portfolio profitability.

In view of the fact that the Company 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 and could give supplementary management costs.

b) Management of the risks

Montea conducts a policy whereby the vast majority of the management costs of the buildings are invoiced on to tenants. For 2015, a total of € 992K was spent on costs that could not be invoiced on to tenants. In addition, an amount of € 4.9 million was invested in improvement and renovation works to the existing portfolio. This amount corresponds with 1.0% of the fair value of the property portfolio.

Should certain key members of staff leave the company, Montea will handle these key positions on a temporary basis through outsourcing. Montea offers salary packages that are in line with the market. It also regularly provides its staff with additional training courses and seminars to enable them to top up their knowledge and qualifications in their specialist area.

1.2.3 Risks associated with the fluctuation of the operational costs

a) Description of the risks

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 sometimes 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 minimize these costs.

---

[6] However, Montea is assisted by external partners in carrying out certain tasks. Montea continues to take responsibility for these areas and also handles coordination.

b) Management of the risks

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 Chief Operating Officer.

Montea also focuses, in partnership, on new developments, in Belgium, the Netherlands and France under supervision and management of the Chief Operating Officer.

1.2.4 Risk of destruction of the buildings

a) Description of the risks

An existing risk is the destruction of buildings in the Montea property portfolio as the result of fire, natural disaster, accidents, terrorism, etc.

b) Management of the risks

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 rent[7]), which were established based on the best possible market coverage.

On 31 December 2015, the insured value[8] of the property portfolio amounted to € 216.8 million in Belgium and € 99.1 million in the Netherlands. This covers the full fair value of the buildings (excl. the fair value of the land) of the property portfolio in Belgium and in the Netherlands on the same date.

63.7% of the sites in France (with a total fair value of € 85.8 million) are insured directly by Montea. This insurance (with a value of € 77,667 million[9]) covers the fair value of the buildings at these sites. The other sites in France are insured by the tenants[10].

In 2015, premiums totalling € 418,042.01 were paid to insure these buildings. The cost of these premiums was passed on to clients. However, premiums for vacant premises and premiums that cannot be recovered contractually or only to a limited extent cannot be passed on to clients (€ 256,996.16).

7 The average guarantee for loss of rent is approximately 2 years.

8 This value represented the full new-build value, including non-recoverable VAT.

9 63,7% of the fair value of the sites in France (€ 134.7 million), with a total fair value of € 85.80 million, are insured by Montea. The remainder of the portfolio in France is insured by the tenants themselves. This relates to 3 sites of which the largest site, Saint-Cyr-en-Valin Orléans, has a fair value of € 37.0 million.

10 The largest site is Saint-Cyr-en-Val in Orléans (leased in full to FM Logistics), with a fair value of € 37.0 million.

1.2.5 The conditional nature of forthcoming build-to-suit projects

a) Description of the risks

Montea has signed an agreement with the developer for various build-to-suit projects in which Montea undertakes, at a price agreed in advance, to purchase the building in question (or the company to which the building belongs), subject to a number of conditions precedent being fulfilled. These conditions precedent relate to items such as delivering the guarantee, the first rent payment, obtaining the necessary permits and the provisional handover of the building. If the building is handed over later than scheduled or if any of the conditions precedent are not fulfilled, Montea may decide not to acquire the building (or the company holding the building), or only at a later stage, which may have an impact on the company's proposed results and its future property portfolio.

b) Management of the risks

Stipulating suspensive conditions in the agreement with the developer and intensive, proactive collaboration with the developer during the construction phase are the most important features of managing this risk.

1.2.6 Public domain and airport zones

a) Description of the risks

For certain types of property, Montea has concessions over the public domain or building rights. These titles are by definition limited in time and may be terminated early for reasons in the public interest, subject to the individual features of the location or its legal status.

In particular, reference is made here to the building rights that Montea or its subsidiaries have stipulated with Brussels Airport Company (BAC) at Brucargo, with Waterwegen en Zeekanaal and with the Port of Ghent. These building rights may be terminated early by the grantors of the building rights for reasons of general interest.

b) Management of the risks

Should the owners terminate the building rights early for reasons of general interest, they will pay full compensation to Montea. For example, should a competent authority (other than the grantors of the building rights) terminate the building rights for reasons of public interest (expropriation), Montea will not obtain any compensation from the grantors of the building rights. If this should be the case, the grantors of the building rights and Montea will be required to attempt to obtain appropriate compensation from the competent authority, under which the grantors of the building rights undertake to relinquish any compensation received to Montea. In this latter case, there may be a discussion between Montea and the competent authority regarding the amount of compensation which may, in turn, have a negative impact on Montea's activities and operating results.

1.3 Financial risks

Exposure to exchange risks, interest rate, liquidity and credit risks arise in the normal business of Montea. Montea analyzes and reviews all risks and hereby defines the control strategies regarding the economic impact on the performance of the Company. The results of these analyses and proposed strategies are reviewed on a regular basis and approved by the Board of Directors.

1.3.1 Debt structure

a) Description of the risks

Under the law, Montea’s consolidated or single debt ratio may not be more than 65%[11].

Montea has signed market-compliant covenants with its financial institutions, which ensure that its consolidated debt ratio (pursuant to the Royal Decree on regulated real estate companies [RREC RD]) may not exceed 60%.

In addition, a maximum consolidated debt ratio of 65% was stipulated in the terms of the various bond issues ((i) on 28th June 2013[12] for a total of € 30 million, (ii) 28th May 2014 for a total of € 30 million, (iii) on 30th June 2015 for a total of € 50 million). If Montea breaches these covenants, any bondholder may, by way of written notification served at Montea’s registered office, with a copy to the respective “agent”, require that his or her bonds be declared immediately enforceable and repayable at their face value, plus interest accrued (if any) up to the date of payment, without further formalities, unless such default is remedied prior to receipt of such notification by Montea.

b) Management of the risks

If the consolidated debt ratio exceeds 50%, a financial plan must be drawn up, pursuant to the Royal Decree on RRECs, containing an execution schedule with a description of the measures that will be taken to prevent this ratio exceeding 65%[13].

At 31st December 2015, the consolidated debt ratio was 55.8%[14] (compared with 52.1% at 31st December 2014) at a consolidated level and 55.5% on a statutory level, requiring Montea to draw up a financial plan and execution schedule. The auditor has drafted a special report on the financial plan and the method of its drafting has been verified in accordance with article 24, paragraph 2 of the RREC RD. For more information about the financial plan, please see point 4.5.4 of this annual report.

Montea has a consolidated debt capacity of approximately € 145 million before the maximum statutory debt ratio of 65% is reached. This represents a possible growth in the property portfolio of 28.6% (additional growth in the fair value of the property portfolio of € 145 million compared with the current fair value of the property portfolio, including the fair value of the solar panels of € 10.4 million and the fair value of the developments of € 25.6 million) funded entirely by debt. Montea has agreed covenants with its banks under which the debt ratio may not exceed 60%.

[11] Article 23 of the Royal Decree issued on 13th July 2014 relating to regulated real estate companies.
[12] In het jaarverslag 2013 stond verkeerdelijk de datum van 23 juni 2013.
[13] Art. 24 of the Royal Decree relating to regulated real estate companies.
[14] The debt ratio is calculated pursuant to the Royal Decree issued on 13th July 2014 relating to regulated real estate companies.

This means that the consolidated debt capacity is € 58 million (additional growth in the fair value of the property portfolio of € 58 million compared with the current fair value of the property portfolio, including the fair value of the solar panels of € 10.4 million and the fair value of the developments of € 25.6 million). This represents a possible growth in the property portfolio of 11.4% funded entirely by debt.

Conversely, the current balance sheet structure, if all parameters remain constant, would be able to absorb a reduction in the value of the property portfolio of 15.4% or 7.7% respectively before a maximum debt ratio of 65% or 60% was reached.

1.3.2 Liquidity risk

a) Description of the risks

The liquidity risk consists of Montea running the risk that at a certain moment it may not have sufficient cash resources and that it may no longer be able to obtain the required financing to cover its short-term debts.

- **Lines of credit**

Taking the legal status of the RREC into account and given the nature of the assets in which Montea invests (logistics property), the risk of the non-renewal of its lines of credit (except in unforeseen circumstances) is limited, even in the context of a tightening of its terms of credit. On the other hand, it is true that the credit margins could rise at the time the lines of credit expire and need to be renewed.

There is also the risk of the termination of the bilateral lines of credit as the result of the cancellation, termination or review of the finance contracts caused by non-compliance of the undertakings ("covenants") entered into at the time of signing these finance contracts. Technically speaking, the loss by Montea of its status as a regulated real estate company could constitute an *event of default* under most of Montea's lines of credit (see 1.4 of this annual report). The undertakings that Montea has stipulated with its financial institutions are market-compliant and among other things state that its consolidated debt ratio (pursuant to the Royal Decree issued on 13th July 2014 relating to regulated real estate companies) may not exceed the ceiling of 60%.

As a result, if it does not comply with its obligations and, more generally, if it should remain in default of the terms of these contracts, Montea would be exposed to the risk of the forced, early repayment of these loans. Based on the current circumstances and the outlook that can reasonably be made based on those circumstances, Montea has no knowledge of any elements that indicate it would not be able to comply with one or other of its undertakings. However, the risk of this cannot be entirely excluded.

No mortgages, loans or advances were granted or received by Montea (or its subsidiaries), with the exception of the lines of credit mentioned above.

➢ Bond issues totalling € 110 million [15]

As part of the further diversification of its financing, Montea proceeded with several bond issues on 28th June 2013, 28th May 2014 and 30th June 2015 (when two bond loans were issued) respectively, for a total amount of € 110 million. These bond loans have a term of seven until twelve years and mature on 28th June 2020, 28th May 2021, 30th June 2025 and 30th June 2027. It is possible that Montea may not reimburse the bonds on their respective maturity dates.

Pursuant to article 5.6.3 of the general terms and conditions for these bond issues, Montea may be obliged to reimburse the bonds issued early if there is a change in the control of Montea. If this should be the case, each bondholder will have the right to require the buyback of his or her bonds by Montea for 100.00 per cent of their face value, plus any interest accrued but not yet paid, up to (but excluding) the date of early repayment. Pursuant to article 5.6.3 of the respective Terms and Conditions, a change in control over Montea may be deemed to have occurred in the event of a change in control over the Statutory Manager.

In other words, as a result of a change in control over the Statutory Manager, the early repayment of the bonds issued by Montea could be required by the bondholders. Montea Management NV was appointed as statutory manager of Montea on 1st October 2006 for a period of ten years. If Montea Management NV is not reappointed as statutory manager in proper time, this would also be deemed as a change of control pursuant to article 5.6.3 of the respective *Terms and Conditions*.

A mass demand for repayment by the bondholders of the various bond loans may possibly result in Montea not being able to repay the bond loans on their respective maturity dates.

b) Management of the risks

As of 31st December 2015, Montea had a total of € 205 million in lines of credit, of which € 183 million was already drawn down. During 2016, € 16.7 million of these lines of credit fall due and will have to be repaid or refinanced. For more information regarding the financing structure of Montea, please see point 4.5 of this annual report.

Note 34 gives an overview of the contracted and drawn down lines of credit, with their respective terms.

The liquidity risk is restricted by:

- the diversification of funding sources: the total financial debt, excluding rental guarantees received (€ 294.7 million), consists for 62.1% of lines of credit drawn down, 37.4% of the bond loans and 0.5% of other financial debts;
- the diversification of the drawn down lines of credit with five leading European financial institutions (ING, Belfius, BNP Paribas Fortis, KBC and Bank Degroof); this diversification provides attractive financial market terms;
- term of financial debt: during 2015, the total existing debt still to mature was refinanced through a/o the issue of two bond loans of € 25 million each with a term of 10 and 12 years respectively (for more information, please see the press release dated 26th June 2015). Montea is currently analysing its debt situation so that it can be prepared, prior to the maturity dates of its lines of credit, to refinance its debt on terms that are in line with the market.

[15] For more information, please refer to the press releases dated 24/06/2013, 20/05/2014 and 26/06/2015 or visit www.montea.com.

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 company 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.

1.3.3 Risks associated with changes in interest rates

a) Description of the risks

The short-term and/or long-term rates on the (international) financial markets are subject to significant fluctuations.

With the exception of the financial agreements regarding other financial debts[16] and the bonds[17], all of Montea's financial debts have been agreed at a variable interest rate (bilateral lines of credit at the EURIBOR 3-month rate + margin). This enables Montea to benefit from any low interest rates.

b) Management of the risks

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.

In this way, the risk of rising interest rates is hedged by way of IRSs (*Interest Rate Swaps*). Montea has taken out 100% of the bank finance drawn down and one bond loan to a value of € 25 million at a variable interest rate. Montea implements a policy whereby at least 50% of the bank finance drawn down and the bond loan at a variable interest rate are hedged by the use of IRS-type hedging instruments (whereby the variable interest rate is swapped for a fixed interest rate).

Montea's total debt position at 31/12/2015 was € 294.7 million. Taking the 3 bond loans with a fixed interest rate into account, outstanding leasing debts and the current hedging instruments make the hedging percentage 82.0%. 70.6% of this debt relates to a financial debt with variable interest rates. This means that 18%, or € 53 million, of the total debt position is exposed to variable interest rates.

No new IRS contracts were signed in 2015. In 2015 three existing IRS contracts were replaced by three new IRS contracts ("blend and extend").

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. The opposite is also true. These negative or positive variations can influence the net result but have no influence on the net operating result. This year, positive variations in the fair value of hedging instruments were recorded.

[16] Montea has financial debt in relation to current financial agreements of € 1.6 million (1% of the total financial debt). These financial agreements (for 2 sites) expire between 2015 and 2017. At the time, they were entered into with a fixed quarterly payment (including the interest charge).

[17] In 2015 Montea issued two bond loans, one with a variable interest rate of EURIBOR 3 months + 205 basis points and the other with a fixed interest rate of 3.42%, in 2014 at a fixed interest rate of 3.355% and in 2013 at a fixed interest rate of 4.107%. For more information, please see the press released dated 26/06/2015, 20/05/2014 and 24/06/2013.

Note 17 contains a summary of the fair value of the hedging instruments.

Taking account of the financial debts with variable interest rates, the hedging instruments, the fixed interest rate on the bond loans and the fixed interest rates on the financial agreements, the average interest rate charge in 2015 was 3.07%[18] (including bank margins)[19].

Based on the existing debt position at 31st December 2015 and the short-term interest rates in effect at the time, a rise in the short-term interest rates of 100 basis points would result in a slight increase in total financial costs (€ 0.5 million).

1.3.4 Exchange rate risk

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

1.3.5 Credit risk

a) Description of the risks

The credit risk is the risk of financial loss to the company if a client or counterparty fails to meet its contractual obligations.

b) Management of the risks

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 company makes a lease offer, taking into account a rental guarantee of 3 or 6 months.

1.4 Regulatory risks

1.4.1 Legislative and fiscal framework for public regulated real estate companies

As a regulated public regulated real estate company (PRREC), Montea benefits from a favourable tax system. The company results (rental income and profits from sales, minus operating costs and financial charges) are exempt from corporation tax at the level of the PRREC (but not in terms of any subsidiaries). Dividend payments made by a PRREC are subject to withholding tax at a rate, in principle, of 27%[20].

---

[18] This financial cost is an average over the whole financial year 2015, including the other financial debts in France, the Netherlands and Belgium. It was calculated based on the total financial costs compared with the average start balance and end balance for the financial debt charge for 2015.

[19] For more information about the financing policy, see point 4.5.

[20] The increase in the withholding tax to 27% on dividends from regulated real estate companies was implemented by amendment to art. 269 of the Income Tax Code 1992, pursuant to art. 91-94 of the Act of 26th December 2015 containing measures regarding the strengthening of job creation and purchasing power of 26/12/2015 (B.O.G. 30/12/2015). This change applies to earnings allocated or made payable from 1/1/2016. Previously, the withholding tax on dividends was 25%.

In the event of the loss of accreditation of the status of PRREC, which would imply a serious and persistent failure by Montea to comply with the requirements of the Act of 12th May 2014 or the Royal decree dated 13th July 2014, Montea would lose the benefit of this favourable tax system. Montea considers this risk to be purely theoretical given that it complies with its obligations.

In addition, the loss of accreditation would also result in Montea being required to repay its borrowings early or more quickly.

Finally, Montea is exposed to the risk of future changes to the PRREC system.

1.4.2 Legislative and fiscal context for SIIC

For the purpose of conducting its property investments in France, Montea has opted for the tax system that applies to 'Sociétés d'Investissements Immobiliers Cotées' (referred to below as SIIC), as stated in article 208 C of the French Income Tax Code (Code général des impôts – CGI).

Non-compliance with or modifications to the rules required by the fiscally transparent system for the business in France may result in the loss of the favourable tax status and hence to the obligation to repay certain loans.

1.4.3 Legislative and fiscal context for FBI

For the purpose of conducting its property investments in the Netherlands, Montea lodged an application in September 2013 to have the 'Fiscale Beleggingsinstelling' (referred to below as FBI) tax investment system applied, as stated in article 28 of the Company Tax Act 1969. This application is currently pending with the Dutch Ministry of Finance and the Dutch Tax Department. On 23rd October and 27th October 2015, the Dutch Tax Department decreed that Montea Nederland N.V. and its subsidiaries constitute a fiscal entity for the levy of corporation tax.

1.4.4 Potential changes to the legislative and fiscal context in which Montea operates

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.

The Company is also subject to the risk of future (unfavourable) changes to the PRREC system. For example, such changes might cause a reduction in the results or intrinsic value or increase the debt ratio (for example simply through the application of new accountancy rules). They might also lower the maximum debt ratio or affect the size of the mandatory payment of dividends made to Montea shareholders.

In addition, new national legislation and regulations might come into effect, or there might be possible changes to the existing legislation and regulations, such as to the existing practices in the tax authorities, as mentioned in Ci.RH.423/567.729 dated 23rd December 2004 issued by the Belgian Ministry of Finance in relation to the calculation of exit tax. Montea calculates the purchaser costs value, as dealt with in the circular, with the deduction of registration charges or VAT, as a result of which the purchaser costs value, as dealt with in the circular, differs from (and may also be lower than) the value of the property, as stated in the IFRS balance sheet of the PRREC.

1.4.5 Planning legislation and environmental legislation

a) Description of the risks

A change to the regulations made by central or administrative governments could have an unfavourable effect on the operating capabilities of the buildings, which would have an effect on rental incomes and leas ability. It would also cause an increase to costs for maintaining operating condition.

b) Management of the risks

Montea is constantly assessing possible changes relating to planning and environment requirements under the law. It is assisted in this by external advisers.

1.4.6 Environmental licences

Montea or its tenants have the required environmental licences to operate all certified installations in its buildings[21]. These licences are adjusted when (changes to) the legislation, type of operation or technical specifications so require.

1.4.7 Environmental risks

a) Description of the risks

These are risks that relate to the condition of buildings, the quality of the soil, the subsoil and groundwater.

b) Management of the risks

Before it purchases a building, Montea conducts a very thorough examination of all possible discrepancies and environmental risks. To avoid any risk of pollution, Montea also has tests carried out into the quality of the soil, subsoil and groundwater for buildings where activities involving the risk of pollution are or have been carried out. In the event of pollution being demonstrated, Montea does everything it can to control the potential associated risks in a responsible manner. Montea also conducts periodic checks at its facilities where there may be a risk of pollution for the soil.

[21] Montea is responsible for the licences relating to operation of the building. The tenant is responsible for any additional operating licences relating to the business being conducted. These documents are part of the procedure when buying/selling and/or leasing.

2. Letter to the shareholders

Dear Shareholders,

Montea has enjoyed strong growth since it was established. As a specialist in the logistics property sector, Montea has been screening the market since 2006 for new investment opportunities. Shortly after floating on the stock exchange, Montea decided to diversify into France. The Dutch market has also been added to Montea's scope of activity since the end of 2013.

With a total investment volume of € 92 million in Belgium, France and the Netherlands, Montea again confirmed its story of growth in 2015. In Belgium, Montea underlined its role as a specialist in logistics property with two build-to-suit developments in Erembodegem and Vorst (both handed over in the first quarter of 2016 and leased respectively to Movianto and CdS). Montea also continued its growth on the Dutch market with 3 acquisitions ('s Heerenberg – leased to JCL Logistics, Apeldoorn – leased to HSL, and Tilburg – leased to Groep Versteijnen) and by handing over the build-to-suit project in Heerlen (leased to DocMorris). 2015 saw the start of a new build-to-suit project in Schiphol, which in all probability will be handed over in Q3 of 2016 (leased to Bakkersland).

In addition to growth, Montea's focus was on the performance of the existing portfolio. Montea also maintained an occupancy rate of more than 95% throughout the year, ending 2015 at 96.0%. Work was also carried out on the average lease term, which was 6.8 years at 31/12/2015.

Keeping the debt ratio under control as part of this growth story was the third major achievement in 2015. On the one hand Montea increased its equity capital through the contribution in kind for the financing of the project in Apeldoorn and the optional dividend, while on the other, the further diversification of debt was continued with the issue of a second additional bond loan and the refinancing of financial bank debt that fell due. In this refinancing of debts, account was taken of the extension of the term of the financing (> 5 years) and the even expiry of the funding (+/- € 40 million per year arriving at maturity). Keeping finance costs under control was the third achievement of significance 2015.

The property portfolio of 749,009 m², spread across 45 different sites, produced an average net yield of 7.58% (contractual annual rental income, excl. concession payments based on the fair value of the property portfolio). This yield is based on leases with +/- 65 large and smaller clients that operate in a very wide range of sectors, ranging from logistics (DHL, FM Logistics, Fedex, Dachser, JCL Logistics, Groep Versteijnen, Chronopost and Norbert Dentressangle), to industry (BF Goodrich, Brossette and Jan De Nul, etc.) and consumer goods (Unilever, H&M and Barry Callebaut).

In 2015, Montea also continued to focus on the active management of its existing property assets.

The net rental result was € 34.3 million, which corresponds with an increase of 27.9% compared with 2014. Montea signed new leases and extended existing ones. In so doing, Montea succeeded in ending the year with an occupancy rate of 96.0% [22].

The operating margin before the portfolio result was 85.8% for the full year 2015, an increase of 0.7% compared with 2014.

[22] The occupancy rate is based on m². For the calculation of this occupancy rate, nor in the denominator, nor in the numerator, account was taken of the m2 non-avaialbe for lease, intended for redevelopment and the land.

The consolidated debt ratio was 55.8%. 57% of the financial debt to banks was hedged by contracts that cumulatively guarantee a fixed financing ratio of 3.47%[23].

Finally, we would draw your attention to three additional elements in the results that also had an effect on the net result of € 24.0 million, but not on the net operating result of € 21.1 million (and also not on the dividend). This relates to the positive variation in the fair value of the property portfolio (IAS 40, valued by the independent property assessors) of € 2.5 million and a small positive variation in the fair value of the hedging instruments (IAS 39) taken out during the financial year as the result of movements in long-term interest rates (€ 0.5 million, fully included in the result).

Based on the above, the net result was € 24.0 million. Not including the "non-cash" elements arising from the application of the accounting standards relating to hedging instruments and property investments, the net operating result was € 21.1 million, which was a rise of 38.2% compared with the previous year.

At the ordinary general meeting on 17th May 2016, the Board of Directors will propose paying a gross dividend per share of € 2.03 for the full year 2015 (€ 1.97 per share for the 2014 financial year). This corresponds with a net dividend of € 1.4819 per share, compared with € 1.4775 in 2014.

Finally, the Board of Directors would like to thank the whole Montea team for its day-to-day efforts and the work carried out in 2015.

Dirk De Pauw	Jo De Wolf*
Chairman of the board of directors	Chief Executive Officer

* Permanent representative of Jo De Wolf SPRL

[23] This financial charge is the annual runrate for the bank debt, the outstanding bond loan and other financial debts, including the hedging taken out and the short-term interest rate at 31st December 2015.

3. Key Figures

		31/12/2015 12 months	31/12/2014 12 months
Real estate portfolio			
Real estate portfolio - Buildings			
Number of sites		**45**	**41**
Surface of the real estate portfolio			
Logistics and semi-industrial warehouses	M²	682.503	632.818
Offices	M²	66.506	58.248
Total surface	**M²**	**749.009**	**691.066**
Development potential	M²	119.569	149.944
Value of the real estate portfolio			
Fair value (1)	K€	480.721	400.916
Investment value (2)	K€	503.980	418.729
Occupancy rate			
Occupancy rate (3)	%	96,0%	96,6%
Real estate portfolio - Solar panels			
Fair value (1)	K€	10.369	7.527
Real estate portfolio - Solar panels			
Fair value (1)	K€	25.640	16.295
Consolidated results			
Net current result			
Net rental result	K€	34.290	26.819
Operating result before the porfolio result (4)	K€	29.437	22.821
Operating margin (5)	%	85,85%	85,09%
Financial result (excl. IAS 39) (6)	K€	-8.016	-7.226
Net current result (7)	**K€**	**21.097**	**15.271**
Number of shares entitled to the result of the period		9.211.701	7.781.658
Net current result / share	**€**	**2,29**	**1,97**
Non-current result			
Result on the real estate portfolio (8)	K€	2.475	1.632
Result on financial derivatives (9)	K€	438	-10.796
Net result	**K€**	**24.010**	**6.107**
Number of shares entitled to the result of the period		9.211.701	7.781.658
Net result / share	**€**	**2,61**	**0,78**
Consolidated balance sheet			
Equity (excl. minority participations)	**K€**	**208.157**	**183.338**
Debts and liabilities for calculation of debt ratio	**K€**	**306.564**	**236.473**
Balance sheet total	**K€**	**549.685**	**453.867**
Debt ratio (10)	**%**	**55,77%**	**52,10%**
Net asset value / share (11)	**€**	**22,60**	**20,94**
Net asset value / share (excl. IAS 39) (11)	**€**	**25,22**	**23,76**
Share price (12)	**€**	**39,20**	**34,39**
Premium / (discount)	**%**	**55,42%**	**44,77%**

(1) Book value according to IAS/IFRS rules. The amount of € 503,980K (property investments in section I.C of the balance sheet) differs from the fair value of the property investments of € 480,721K. The difference is due mainly to the fair value of the project developments and the tangible fixed assets for own use.
(2) Value of the portfolio excluding the deduction of transaction costs.
(3) Occupancy rate based on the number of m². In calculating this occupancy rate, the non-leasable m² intended for redevelopment and the land bank have not been included in either the denominator or the numerator.
(4) Operating result before the result from the property portfolio.
(5) The operating result before the result from the property portfolio divided by the net rental result.
(6) Net financial result excluding the variation in the valuation of the financial hedging instruments.
(7) Net profit excluding profit on the property portfolio (code XVI, XVII and XVIII of the profit-and-loss account) and excluding the variation in the valuation of the financial hedging instruments.
(8) Negative and/or positive movements in the fair value of the property portfolio + any losses or gains from realising property assets.
(9) Negative and/or positive movements in the fair value of the interest rate hedging instruments according to IAS 39.
(10) Debt ratio in accordance with the RD of 13th July 2014 relative to regulated property companies.
(11) Total assets minus total debt divided by total shares.
(12) Stock price at the end of the financial year.

4. Management report

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 property**

Montea believes in the long-term value of logistics property. At the IPO, the property portfolio contained more than 25% of semi-industrial properties. To date Montea has systematically reduced to 10% the number of buildings with a semi-industrial character. The complete life cycle of a logistics building is much 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 has chosen to exclusively invest in logistics property. In doing so, Montea has a clear focus on this niche. The teams in Belgium, The Netherlands and in France consist of specialists in this sector and can consequently qualify as ‘the best of the class’ in their field. This sets Montea apart from many other real estate companies that have chosen to diversify their asset classes, resulting in the lack of a clear focus.

- **End 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, construction companies, industrial parties and landowners, to become involved in the development process at an earlier stage. The build-to-suit project with Coca-Cola in Heppignies, Metro and CdS in Vorst and the collaboration with MG Real Estate (Group De Paepe), Cordeel Group, Bouwbedrijf Bouwbedrijf Van de Ven, etc. are interesting examples of that vision. It is Montea’s aim to continue carrying out this type of project in the future.

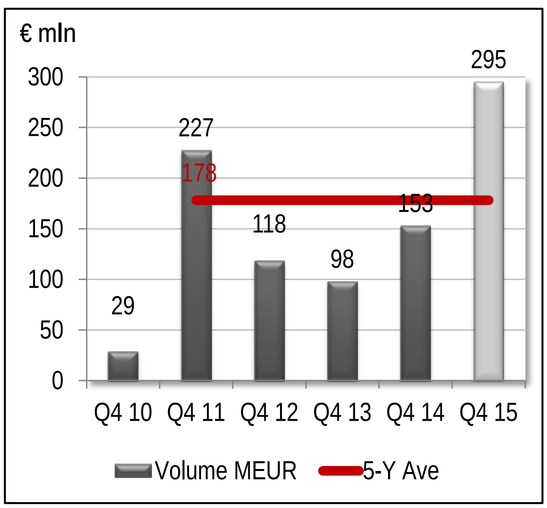
4.2 Property report[24]

4.2.1 The logistics property market in Belgium

"Lack of offer limits investment volumes"

4.2.1.1 Investment Market Overview

Investment in industrial property increased 47% year-on-year in 2015 and registered a total volume of € 339.7 million, of which 87% was invested in logistics and 13% in semi-industrial properties. The semi-industrial segment is underpinned by owner-occupier transactions which represented 34% of the volume in 2015. The main volume, however, was invested in the logistics market, which recorded a buoyant € 295 million, up 93% on 2014. The volume would have been even higher if more product had been available. The buy-side was dominated by local Belgian REITs (56%), whilst pooled funds from the USA and the UK were active in large portfolio deals which accounted for respectively 20% and 8% of the volume invested in logistics properties. Top-3 buyers were Belgian REITs WDP and Montea and Logicor (Blackstone Group) who entered the Belgian market by acquiring the logistics portfolio of Axa. Developers were dominant on the sell-side representing 42% of the investment volume, followed by institutions and corporates who represented 20% each of the invested volume. The largest investment transactions of 2015 were the acquisition by Logicor of the logistics portfolio of Axa for € 60 million (9 properties), the acquisition of the 90,000 sq.m. distribution centre of DHL Supply Chain in Bornem by Belgian REIT WDP for € 58 million, and the acquisition by another Belgian REIT, Montea, of the logistics hub of DHL Aviation at Brussels Airport for € 30.5 million. The prime yield for logistics properties on conventional lease terms compressed 50 bps year-on-year, to 6.5%. The prime yield remains under downward pressure given the lack of prime product and the appetite from both national and international investors for this asset class.



The final quarter of 2015 was an excellent quarter for industrial investment, with € 96 million invested in logistics and € 25.5 million invested in semi-industrial, bringing the global total for the year to just under € 340 million. The volume invested in industrial properties in 2015 represented a 44% rise in comparison with 2014, and was 78% above the 5-year average for the period 2010-2014.

[24] Source: Report established by Jones Lange Lasalle on 16/02/2016. This report was prepared at the request of the issuer of which the real estate experts have agreed to the inclusion of the full report in this registration document.

The largest transaction of the fourth quarter was the sale of the 156,000 sq.m. logistics portfolio of Axa Belgium to Logicor, a private equity fund of the Blackstone Group that enters the Belgian market via this portfolio of 9 logistics properties in Flanders. Two other large logistics deals this quarter, the sale and partial lease-back of the GLS cross-dock portfolio for € 23 million and the sale of two buildings occupied by Vos Logistics in Flanders, for € 13 million, purchased by a private investor. JLL acted as sell-side agent in both transactions. The performance of the asset class confirms that, together with retail, industrial property represents a valid alternative for investment in offices and for financial products. Demand for the asset class is high and prime yields remain under downward pressure, but the limited offer hampers investment volumes. Prime logistics yields remained stable this quarter at 6.5% and prime semi-industrial yields at 7.25%.

4.2.1.2 Investment outlook

Investment market > 2.5 MEUR		2014	2015	Change		
				Q-o-Q	Y-o-Y*	
Investment volume global (MEUR)		**236,0**	**339,7**	na	44%	□
Investment Volume Industrial (MEUR)	Logistics	**153,0**	**295,0**	na	93%	□
Investment Volume Industrial (MEUR)	Semi-industrial	**83,0**	**45,0**	na	-46%	□
Prime Yield %	Logistics	**7,00**	**6,50**	-	-50 bps	□
Prime Yield %	Semi-industrial	**7,75**	**7,25**	-	-50 bps	□

End 2015 the prime yield for logistics properties amounted to 6.50% for 6/9 year leases and to 7.25% for semi-industrial properties. Both indicators compressed 50 bps during 2015 due to the limited offer and high investors' appetite. Demand from both international and national investors is expected to remain high, but investment volumes will be hampered by the lack of product, which will put additional pressure on yields.

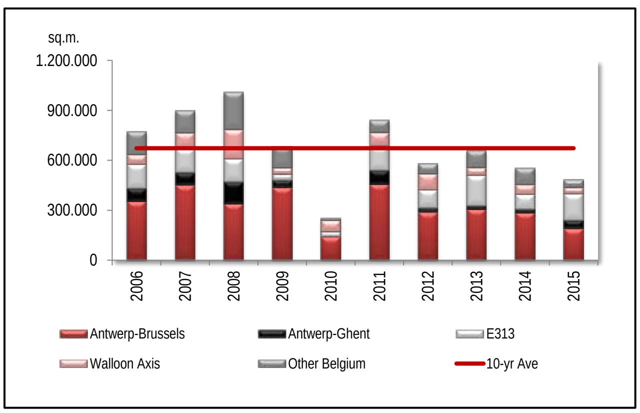
4.2.1.3 Occupier Market Overview

- Take-up in the industrial market evolved differently in the two market segments, logistics and semi-industrial. Logistics take-up dipped in 2015 with a take-up volume of 483,000 sq.m., 13% down on 2014 and 19% down on the 5-year average.
- Build-to-suit projects dominated take-up and represent 75% of the volume in the category above 20,000 sq.m.
- With 40% of the transacted volume, the Antwerp-Brussels axis remains the prime logistics axis in Belgium. The axis E313 Antwerp-Limburg-Liège recorded its highest take-up level of the past 10 years thanks to large transactions with Mobis Parts, Aldi and H. Essers. The largest logistics transaction of the year being the build-to-suit project of some 55,000m² for Mobis Parts in Beringen, developed by Goodman.
- Whilst the logistics market dipped in 2015, a solid take-up level of 1,031,000 sq.m. was recorded in semi-industrial properties, in line with the take-up level of 2014 and 10% up on the 5-year average.
- The number of transactions increased 6% year-on-year (688 transactions), while the average size of transaction decreased from 1,600 sq. m. in 2014 to 1,500 sq. m. in 2015. In this segment, acquisitions for own occupation (representing 54% of take-up) and redevelopments of old industrial sites into smaller semi-industrial units are the main market drivers.

- Prime rents for semi-industrial properties rose to € 60/sq.m. p.a. whilst prime rents for logistics properties remained at € 55/sq.m. p.a. thus remaining stable for the 4th consecutive year. Rents are under upward pressure on top locations around Brussels.

Take up

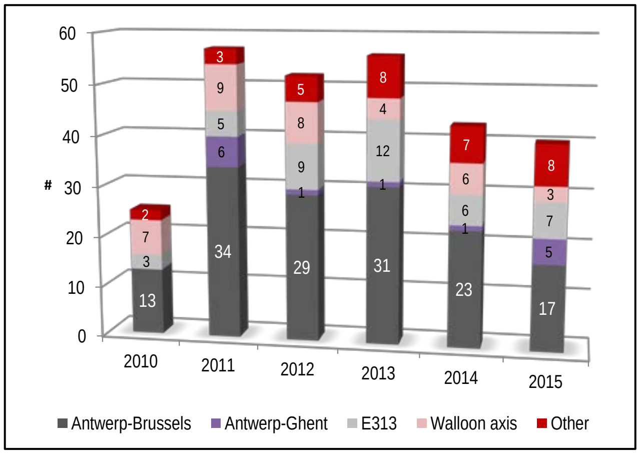
With a volume of 114,400 sq.m. taken up in the last quarter of 2015, the volume for the year amounts to just under 483,000 sq.m. The annual take-up volume was 13% below the take-up level of 2014 and 19% below the 5-year average for the period 2010-2014. In comparison with the average annual take-up volume for the period 2011-2015 which stands at close to 624,000 sq.m., the gap extends to 23%. The average quarterly volume taken up in 2015 was 120,000 sq.m., 27% lower than the quarterly volume recorded in the last 5 years. Take-up in the second and third quarters was above the 5-year average for that quarter, but take-up levels in the first quarter and the final quarter of the year were weak. Drivers behind the take-up remain the centralisation and optimalisation of logistics supply chains. An upturn is expected in 2016 as demand is rising slightly and as e-commerce driven changes to logistics supply chains are expected to impact the property market. Turnkey projects represented nearly 80% of the take-up volume in the category above 20,000 sq.m. and all top-3 transactions were build to suit projects. Immediate vacancy in this category remains extremely low, varying between zero in prime locations to maximum 5% in decentralised zones. The largest transaction of the final quarter was on the E313 axis, the letting of 26,000 sq.m. by H.Essers in Beringen, the fifth largest transaction of the year. The top 3 transactions in 2015 were the acquisition by Mobis Parts Europe of a 58,000 sq.m. turnkey project built by developer Goodman in Beringen on the E313 axis, a 42,000 sq.m. build to suit project for Aldi in Turnhout, also on the E313, and the pre-letting by DHL of a 36,500 sq.m. build to suit project on Brussels Airport developed by MG Real Estate in partnership with B-REIT Montea.



E313 and Antwerp-Ghent perform above their 5-y average

Whilst 40% of the take-up volume in 2015 was registered on the Antwerp-Brussels axis, which remains the main logistics axis in the country, the E313 axis accounted for the highest volume in the category above 20,000 sq.m. The development potential on this axis attracted occupiers such as Mobis Parts and H. Essers to the industrial zone of Beringen, whilst Aldi extends its activities and will relocate to a new 42,000 sq.m. distribution centre in the industrial zone of Turnhout. A total of 40 transactions was recorded this year, the Antwerp-Brussels axis and the E313 axis together representing 60% of transactions. The Antwerp-Brussels axis performed below average, both in terms of the number of transactions (#17) and the volume recorded (191,500 sq.m.) being respectively 35% and 37% below their 5-year averages. The E313 axis Antwerp-Limburg-Liège performed strongly in 2015, registering its highest transacted volume ever on the axis, 158,000 sq.m. in 7 transactions.

The only other axis to exceed its 5-year average was the Antwerp-Ghent axis, which outperformed in both volume (50,500 sq.m. against an average of 30,000 sq.m.) and in number of transactions (#5 against average of 2). Apart from the Antwerp-Brussels axis, the Walloon axis (-46%) and the decentralised industrial zones (-28%) performed well below their 5-year averages. Looking forward we expect more transactions on the Walloon axis with the development of the trimodal site Trilogiport in Liège.



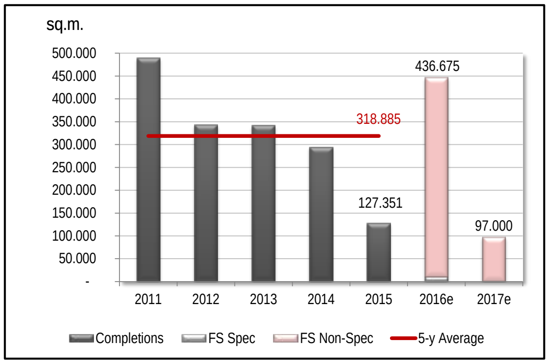
Largest market segment performed above its 5-y average

The number of transactions recorded in 2015 was 15% below its 5-year average of 47. More transactions were recorded in the smallest market segment below 5,000 sq.m., amongst which extensions of existing contracts and “last mile” logistics, and in the largest market segment above 20,000 sq.m., where 7 out of 10 transactions were turnkey projects. The mid-market segments performed below their 5-year average, up to 60% below the 5-year average for the segment between 10,000 and 20,000 sq.m. both in number of transactions and in volume. The average transaction size of a logistics transaction in 2015 was 12,100 sq.m., 2.5% below the average size of 12,395 sq.m. recorded in the 5-year period 2010-2014.

Development

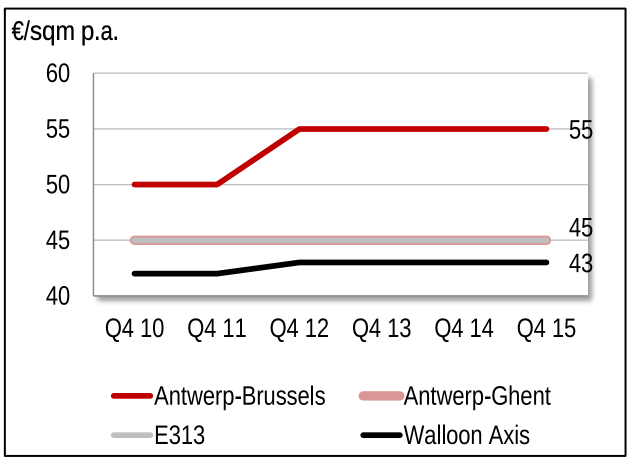
127,350 sq.m. were developed in 2015, all non-speculatively. The volume was 60% below the average delivered in the 5-year period from 2010 to 2014. Only one delivery was recorded in the final quarter of the year, the 8,000 sq.m. distribution centre for Pharma Belgium in Grimbergen on the Brussels periphery. The largest completions in 2015 include a new distribution centre of 30,000 sq.m. for Colruyt in Lessines, an extension of 25,000 sq.m. to the DC of Skechers in Liège (Milmort), and 15,000 sq.m. developed by MG Real Estate for Damco in Willebroek.

Of the 11 projects delivered in 2015, 9 were pre-let and 2 were acquisitions of turnkey projects. No speculative delivery was registered and speculative completions foreseen for the near future are virtually zero. As developers remain cautious and avoid risk, the pipeline is expected to remain non-speculative for the foreseeable future. As a comparison, on a European level speculative development is higher than in Belgium, but remains limited to 22%, with Russia and the UK accounting for 63% of the speculative development volume. Looking forward, the volume of 447,000 sq.m. under construction throughout Belgium for completion in 2016 will counterbalance the dip in completions in 2015. A total of 23 projects will be delivered in 2016, against an annual average of 16 projects in the last 10 years. The largest completions in the next 12 months will include 58,000 sq.m. for Mobis Parts in Beringen, 44,000 sq.m. for Lidl in Marche-en-Famenne, and 40,000 sq.m. for Nike Europe in Ham.



Prime rents

Since recovering from the financial crisis in 2012 the prime rent for logistics property in Belgium has remained flat at between € 48 and € 55/m² per year. This level applies to the Brussels periphery, the prime location on the Antwerp-Brussels axis. With take-up levels on the low side, the prime rent is expected to remain stable in the near future, except in prime locations where scarcity of product puts upward pressure on rents. In the Antwerp region, a prime rent of € 43 to € 48 per sq.m./year applies. The prime rent on the Antwerp-Ghent axis and on the E313 is € 40 to € 45 per sq.m./year. On the Walloon axis and in Ghent prime rents vary from € 36 to € 43 per sq.m./year. Secondary logistics rents are approx. 15% lower.



Top 10 transactions occupier market 2015

Year	Qtr	Municipality	Logistics Axis	Address	m²	Existing /Project	Type	Occupier
2015	2	Beringen	E313	Industrial zone Ravenshout Noord	58.000	Project	Owner Occup	Mobis Parts Europe
2015	2	Turnhout	E313	Industrial zone Veedijk	42.000	Project	Owner Occup	Aldi
2015	1	Brucargo	Antwerp-Brussels	Brucargo (cargo side)	36.500	Project	Letting	DHL
2015	3	Willebroek	Antwerp-Brussels	De Hulst	29.000	Project	Letting	Federal Mogul
2015	4	Beringen	E313	Olmensesteenweg 55	26.008	existing	Letting	H. Essers
2015	1	Neder-Over-Heembeek	Antwerp-Brussels	Canal Logistics II	21.914	existing	Letting	STIB
2015	3	Gent	Antwerp-Ghent	Canal Gent-Terneuzen	21.200	Project	Letting	DSV Solutions
2015	3	Kontich	Antwerp-Brussels	Satenrozen 13	21.165	existing	Letting	DHL Freight
2015	4	Heppignies	Walloon axis	Rue du Capilône	21.000	Project	Letting	Trafic
2015	4	Gent	Antwerp-Ghent	WDP Port of Ghent	20.000	Project	Letting	Distrilog

4.2.1.4 Occupier outlook

Demand for logistics might improve during 2016 supported by emerging supply chain solutions for upcoming e-commerce activities in Belgium Vacancy levels are expected to remain low, at less than 1% in the Brussels Capital Region and below 4% nationally. Developers remain cautious, particularly in the logistics market segment, where non-speculative development will continue to dominate the market in the near to medium term. The lack of immediately available new property, particularly in the category above 20,000 sq.m., will limit take-up volumes . Reconversion of older industrial sites in new business parks for SME's and acquisitions will underpin the occupier market. The market outlook for the semi-industrial market remains positive, as market fundamentals are solid.

Occupier market	Q4 2014	Q4 2015	Change	12 Month outlook
Take-up Belgium c qtr (sq.m.)	**141.657**	**114.439**	-19%	☐
Take-up LTM sq.m., of which	**554.000**	**483.000**	-13%	☐
Brussels-Antwerp	**286.000**	**191.500**	-33%	☐
Antwerp-Ghent	**20.000**	**50.500**	153%	☐
Antwerp-Limburg-Liège	**92.000**	**158.000**	72%	☐
Walloon Axis	**57.400**	**37.500**	-35%	☐
Other Belgium	**98.600**	**45.500**	-54%	☐
Prime Rent (€ per sq.m. p.a.)	**55**	**55**	0%	☐
Development volume (sq.m.)	**294,000**	**127,350**	-57%	☐

4.2.2 The Dutch property market

4.2.2.1 Occupier market overview

Stock

Occupier and investor market		Historical			Forecast
	Unit	**2013**	**2014**	**2015**	**2016/2017**
Supply	sq m (> 500 sq m , absolute, in mln)	9.45	10.7	11.03	
Mutation supply	Growth compared to the previous year	-0.5%	+13.2%	+3.1%	
Vacancy rate in %	sq m (> 500 sq m , absolute, in mln)	5.0%	5.6%	5.7%	

The Netherlands currently has a total industrial stock of approximately 192 million sq m out of which approximately 27 million sq m is in the logistic segment. Approximately 20% of the total industrial stock is in the province of Noord-Brabant (approximately 39 million sq m) followed by Zuid-Holland, with 17% (approximately 32 million sq m) and Noord-Holland with 13% (approximately 25 million sq m). Focusing on logistic stock, the largest concentration (with 30%) is in Noord-Brabant, circa 8.2 million sq m followed by Zuid-Holland with 18%, circa 4.8 million sq m.

There are approximately 194,390 industrial estates in The Netherlands, out of which 3,150 industrial estates are focusing on the logistic segment.

Vacancy

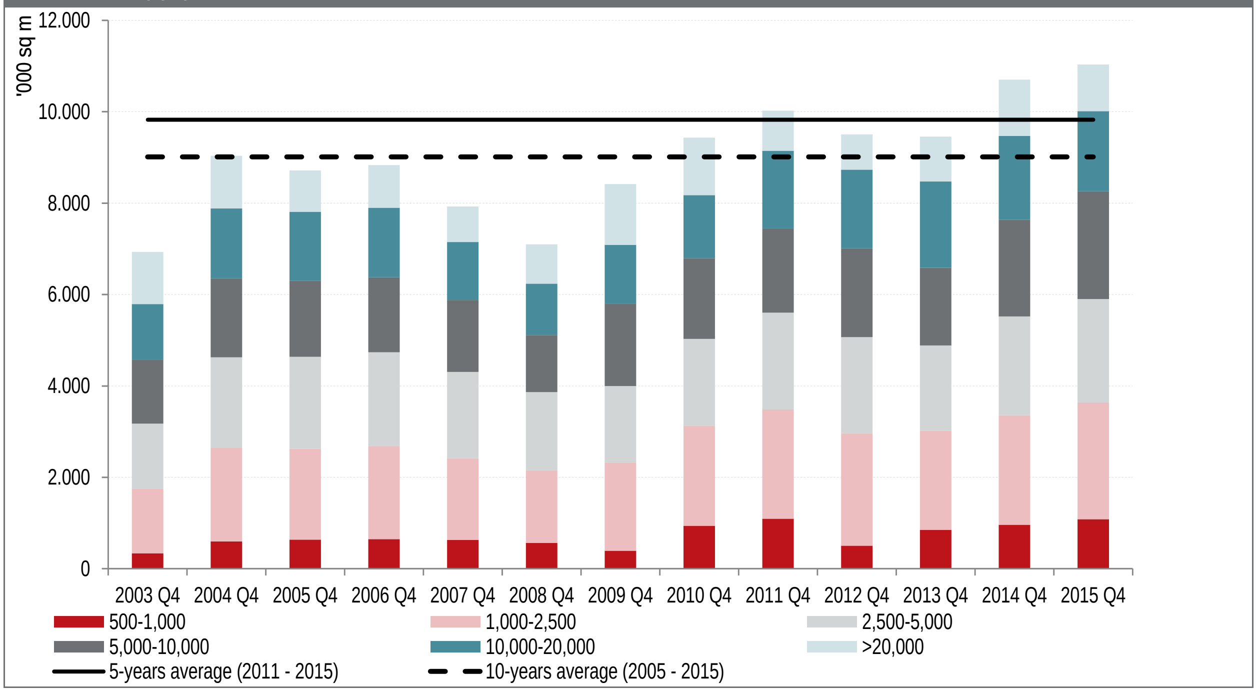
Occupier and investor market							Forecast
	Unit	**2011**	**2012**	**2013**	**2014**	**2015 Q4**	**2015/2016**
Immediately stock of land available for issue	sq m, in mln	83.7	74.9	62.1	64.4	64.4*	
Total industrial supply	sq m (> 500 sq m , absolute, in mln)	10.03	9.5	9.46	10.7	11.03	
Logistic supply	*sq m (> 500 sq m , absolute, in mln)*	*1.5*	*1.47*	*1.76*	*1.99*	*1.44*	
Light Industrial supply	*sq m (> 500 sq m, absolute, in mln)*	*8.48*	*8.01*	*7.67*	*8.6*	*9.53*	

In 2011 vacancy amounted to approximately 10,025,000 sq m. After a slight decrease in 2012 to approximately 9,505,200 sq m, it continued to decrease in 2013 to approximately 9,457,600 sq m. In 2014 vacancy increased to an amount of approximately 10,702,300 sq m, an increase of 13.2% compared to the fourth quarter of 2013. Current availability amounts to approximately 11,034,700 sq m. During the previous years, logistic vacancy increased from 1,625,700 sq m in 2010 to 1,991,900 sq m in 2014. During the first half of 2015 it decreased slightly and currently amounts to 1,442,100 sq m.

Light industrial vacancy fluctuated during the previous five years. It decreased from 8,481,300 sq m in 2011 to 8,018,800 sq m in 2012. During 2013 light industrial vacancy decreased further to approximately 7,674,000 sq m.

At the end of the fourth quarter of 2014 vacancy increased strongly to approximately 8,625,500 sq m, an increase of approximately 12.6% compared to 2013 Q4. Current availability amounts to approximately 9,531,900 sq m. Current availability mainly focuses on the provinces Noord-Brabant, Zuid-Holland Gelderland and Noord-Holland, accounting for 25%, 18%, 12% and 11%, respectively. A large part of current vacancy in these provinces is obsolete real estate.

Industrial supply in The Netherlands 2003 -2015 Q4



Source: JLL (2016).

Developments

During 2014 approximately 384,800 sq m was completed. The largest completions refer to 72,400 sq m pre-let to Kuehne & Nagel in Tiel, the completion of 60,000 sq m in Rotterdam, pre-let to Nippon Express, the completion of 60,000 sq m in Echt, pre-let to Action, the completion of 50,000 sq m in Tilburg, fully pre-let to Tesla and the completion of 45,000 sq m, fully pre-let to Brand Loyalty in Venlo.

In 2015 a total of approximately 536,500 sq m was completed. Largest completions refer to the 41,500 sq m in Venlo at Businesspark Siberie fase II, partly pre-let (22,500 sq m) to Seacon Logistics. The completion of 36,600 sq m in Venlo at Trade Port West by Prologis, the built of 36,000 sq m at Trade Park Noord in Venlo, for Prologis, the built of 35,000 sq m in Zwolle, fully pre-let to Wehkamp, the completion of 30,000 sq m in Venlo, at Trade Park Noord, fully pre-let to DSV Logistics.

There is a firm pipeline of 728,300 sq m of logistic space until 2017. Largest expected completions refer to 100,000 sq m in Venlo at Trade Port Noord, fully pre-let to Michael Kors and 70,000 sq m in Eindhoven, fully pre-let to Menlo Logistics Europe. The non-firm pipeline for logistic space amounts to approximately 1.86 million sq m. However, these plans are uncertain and have no known start or completion date.

Take-up

Occupier and investor market							Forecast
	Unit	**2011**	**2012**	**2013**	**2014**	**2015**	**2015/2016**
Total Industrial take-up	sq m (> 500 sq m, absolute, in mln)	3,27	3,01	3,4	3,17	4,56	⬌ ⬆
Logistic take-up	*sq m (> 500 sq m, absolute, in mln)*	*0,87*	*1,02*	*0,87*	*1,1*	*1,8*	⬌
Light Industrial take-up	*sq m (> 500 sq m, absolute, in mln)*	*2,47*	*2,0*	*2,52*	*2,1*	*2,72*	⬌

In 2012 a total of approximately 3,019,000 sq m was transacted, a decrease of 8.3% compared to 2011. Largest transactions refer to the leasing of 55,000 sq m by Rhenus Contract Logistics at Ekkersrijt in Son en Breugel, 51,500 sq m by Van Rooijen Logistiek at Achtseweg Noord in Eindhoven, 42,000 sq m by Microsoft at Wattstraat in Venray and 40,000 sq m by Philips at De Blakt in Venray.

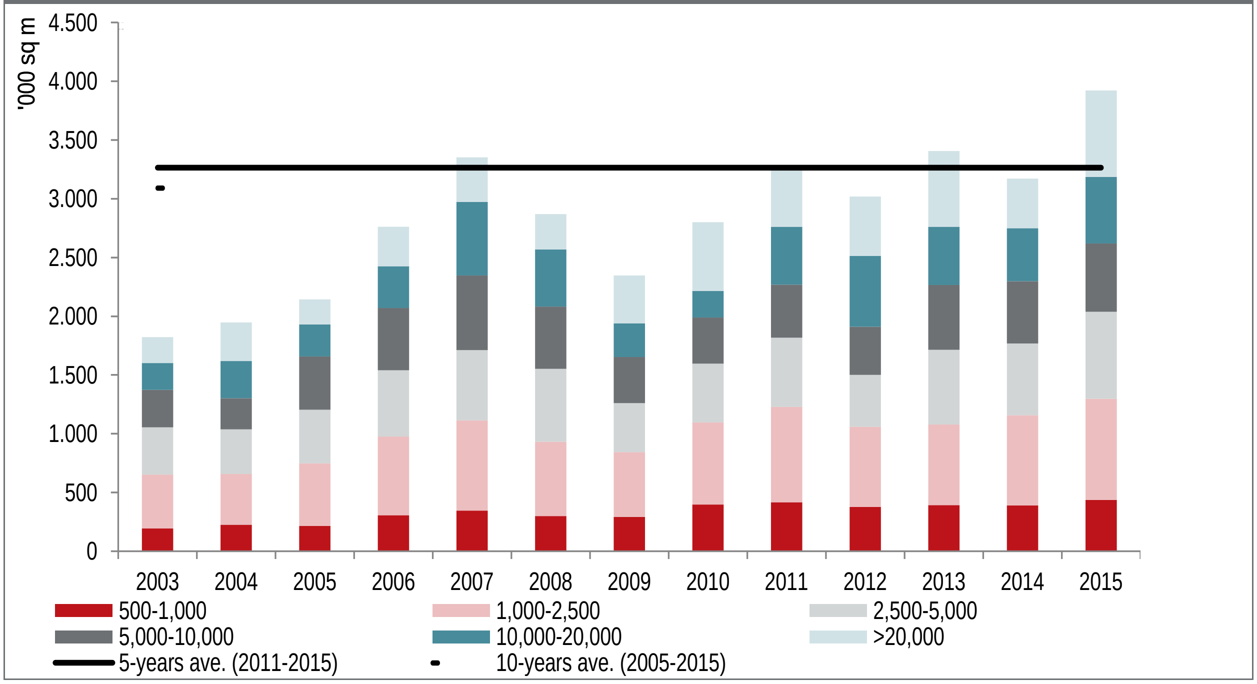
2013 showed a transaction volume of approximately 3,406,600 sq m, an increase of 12.8% compared to the previous year. Largest transactions refer to the rent of 77,000 sq m by Action in a yet to be build logistic center in Echt-Susteren, the rent of 70,700 sq m by Canon Europe in Rotterdam, the rent of 46,200 sq m by DB Schenker Logistics (Nokia) in Tilburg and the buy-for-own-use of 41,000 sq m by Jos Scholman in Nieuwegein.
In 2014 a total of approximately 3,171,200 sq m was transacted on the Dutch industrial market, a decrease of 7% compared to the same period of the previous year. Approximately 1,058,400 sq m of the total take-up refers to logistics. The provinces with the highest take-up dynamics refer to Zuid-Holland and Noord-Brabant, amounting to 27% and 21%, respectively.

In the first half of 2015 some large transactions accounted for an explosive start of the year, with a total take-up volume of approximately 1,662,200 sq m. The total industrial take-up volume in the first quarter amounted to approximately 791,900 sq m and in the second quarter take-up volume amounted to approximately 870,900 sq m. Take-up volume in the third quarter of 2015 amounted to approximately 897,200 sq m. During the fourth quarter of 2015, the industrial take-up volume amounted to approximately 1,910,800 sq m.

Logistic take-up volume amounted to approximately 871,200 sq m in 2013. In 2014, take-up volume increased with approximately 21.5% to an amount of approximately 1,058,400 sq m. During the first half of 2015, logistic take-up volume amounted to approximately 607,600 sq m. Largest transactions refer to the rent of approximately 100,000 sq m in Waalwijk for Bol.com, the rent of 70,000 sq m in Roosendaal for Primark and the rent of 48,000 sq m in Tilburg by Fujifilm Europe. Logistic take-up volume in the third quarter of 2015 amounted to approximately 461,600 sq m, an increase of approximately 40% compared to the same quarter last year. In the final quarter of 2015 approximately 730,600 sq m was transacted in the logistic sector, an increase of approximately 80% compared to the same quarter last year.

Because of the scarcity of modern distribution warehouses, the largest transactions within the logistic industry relate to new development schemes. Some recent examples are the developments of Bol.com and Primark, who both developed a new distribution to realize there preferences.

Take-up volume > 500 sq m (2003 – 2015 Q4)



Source: JLL (2016).

Rents

Despite the shortage of modern logistic spaces, rents within this sector remain stable. Both building cost and land prices decreased slightly, preventing the rents for new build to surpass the rents of existing buildings. Prime rent for the region Amsterdam-Schiphol referring to the warehouse not blended with the office space amounts to € 85.- per sq m per annum. In the Utrecht region, prime rent amounts to € 62.50 per sq m per year and in the Tilburg region the rent amounts to € 49.- per sq m per year.

Prime rent for the region Amsterdam-Schiphol, referring to light industrial, amounts to € 90,- per sq m per annum. In the Rotterdam region, prime rent amounts to € 67.50 per sq m per annum, in the Utrecht region to € 65.- per sq m per annum and in Tilburg prime rent amounts to € 57.50 per sq m per annum.

4.2.2.2 Investment market

During the first quarter of 2015 a total of € 283 million was invested in the industrial real estate sector. This is a decrease of 9,5% compared to the first quarter of 2014. Traditionally, the first quarter always shows less dynamism. The industrial investment volume in the second quarter of 2015 amounted to approximately € 341 million. As a result, the total investment volume in the first half of 2015 amounted to approximately € 625 million.

Especially the light industrial segment was dominant in the third quarter of 2015. Out of the total investment volume (€ 157 million) approximately 68% or € 107 million was for light industrial investments. One of the largest transactions involved the purchase by Mstar Netherlands Holding of approximately 65,500 sq m divided over 10 light industrial units from Valad Europe for € 28 million.
The logistic investment volume in the third quarter of 2015 has dropped significantly compared to the previous quarter. Total logistic investment volume amounted to approximately € 44.7 million, divided over three logistic warehouses. The largest transaction in the third quarter was the newly developed G-star building of approximately 37,200 sq m at Casablancaweg in Amsterdam, which Delin Capital bought for € 28.9 million.

Current investment volume amounts to approximately € 612 million, an increase of approximately 113% compared to the same period last year. Most investments this quarter were in the logistic segment, approximately € 421 million (68%). Largest transactions are the sale of the Parcival portfolio of approximately 191,000 sq m which IDI Gazely bought for an amount of € 104 million from Euroindustrial and the sale of a Dok Vast portfolio of approximately 104,000 sq m by Segro for the amount of € 93 million from Dokvast.

Yields

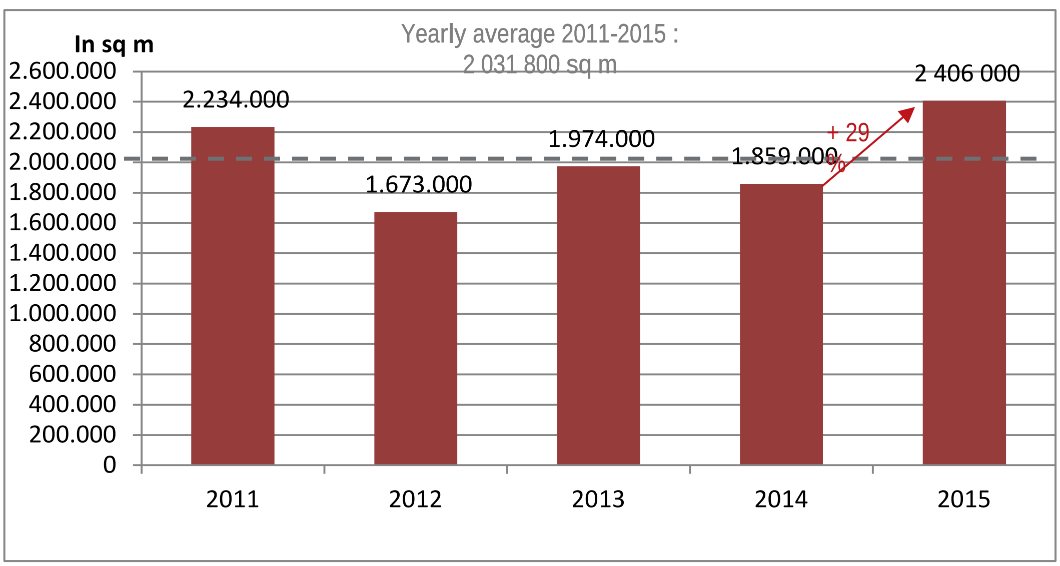
Due to the popularity of logistic properties in the Netherlands, prime net initial yields for logistic hotspots are currently within a band of 5.60% - 6.10% for Amsterdam Schiphol and Rotterdam. In Noord-Brabant and Noord-Limburg current prime net initial yields fall within a band of 5.65% - 6.15% and in Utrecht prime net initial yields fall within a band of 5.70% - 6.20%.
Current prime net initial yields for the light industrial segment range from 7.40% to 7.90% for Amsterdam and Rotterdam. In Noord-Brabant current prime net initial yields fall within a bandof 8.60% - 9.10% and in Utrecht 8.35% - 8.85%.

4.2.3 The property market in France

4.2.3.1 Occupier market Overview

In October 2015, the turnover of the transport and storage sector rebounded (+ 0.9%) after a decline in September (-1.0%). It is clearly recovering in the storage and ancillary services of transport (+ 3.0%, after 1.6%) and, to a lesser extent, in land transport and transport via pipelines (+ 0.5%) as well as air transportation (+ 0.2%). On the other hand, it strongly contracted for transport by water (-4.5%, after + 6.7%). It continues to decline in the activities of post and mail (-0.6%). The turnover of the transport and storage has been stable over the last three months (-0.1%) and increased on a year on year basis (+ 0.9%).

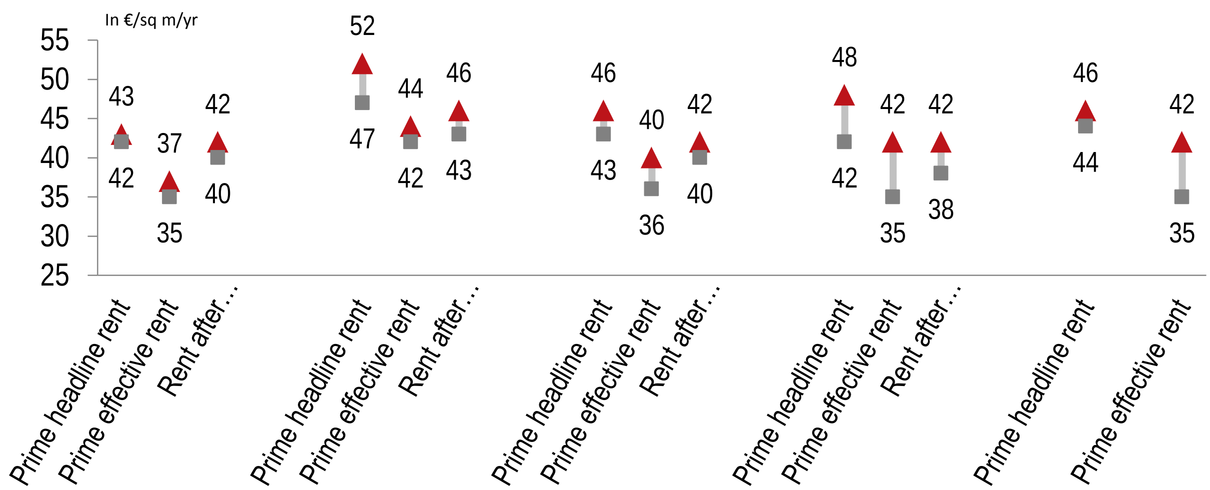
While the primary indicators show a slight improvement in the economic environment, the real estate market logistics (> 10,000 sq m) outperformed in 2015 with 2.4 million square meters of take-up over the entire territory, up 29% year on year. In 2014, the market was more balanced between the main logistics corridor and outside markets, however in 2015, the main logistics corridor pulled ahead and accounted for 70% of volume sold.



Take-up in France (> 10,000 sq m)

Outside of the main logistics corridor, the market remains driven by turnkey operations, accounting for more than half of the transactions. Retailers, especially those involved in mass distribution were again particularly active in these types of operations this year: CARREFOUR has completed three transactions which totaled 190,000 sq m, ITM moved to Bourges et Castets (Aquitaine) on 83,400 sq m, while LIDL has chosen Bourg-Achard (Normandie) and Sorigny (Center) to build 54,400 sq m.

The main logistics corridor, whilst progressing over the year, registered little growth on operations of this type: of the 71 transactions recorded in 2015, only 12 were dedicated operations. Due to a lack of stock, over half of transactions concerned second hand units.
Rents are stable across all poles, but the increases are not excluded on the main poles or lack of quality supply combined with the scarcity of land impacting users.



Rental values by markets

Major deals in France

Market	Occupier	Type	City	Area	L/S
Marseille region	MAISONS DU MONDE	Retailer	Saint-Martin-de-Crau	96,000 sq m	L
Paris region	JJA	Retailer	Vaux-le-Penil	69,659 sq m	L
Cher	CARREFOUR	Retailer	Bourges	68,544 sq m	L
Meurthe-et-Moselle	LCM - GROUPE CARREFOUR	Retailer	Moncel-les-Luneville	63,252 sq m	L
Lyon region	CFA BUT	Retailer	Pusignan	59,391 sq m	L
Maine-et-Loire	CARREFOUR HYPERMARCHE	Retailer	Cholet	57,508 sq m	L
Paris region	CAFOM	Retailer	Amblainville	55,746 sq m	L
Nord Pas-de-Calais	ORCHESTRA	Retailer	Saint-Laurent-Blangy	49,550 sq m	S
Cher	ITM	Retailer	Bourges	48,988 sq m	S
Paris region	ACTION	Retailer	Moissy-Cramayel	46,467 sq m	L
Marseille region	CEVITAL	Retailer	Saint-Martin-de-Crau	46,337 sq m	S
Loiret	KUEHNE ET NAGEL	3PL	Ormes	43,512 sq m	L
Lyon region	SNC OIA	Retailer	Satolas-et-Bonce	42,757 sq m	L

With over 1.9 million sq m of take up in 2015, the logistics sector ended the year with a strong level of performance compared to the previous three years and came close to its record peak in 2011. While the Paris market remains the economic engine for growth in the main logistics corridor of France with more than 50% of total sales volumes, the Rhone corridor recorded a strong performance throughout the year.

The interim segments (between 10,000 sq m and 40,000 sq m), has driven the market above 1.23 million sq m compared to 760,000 sq m in 2014. The segment for transactions above 40,000 sq m has been growing (+33% in a year). Indeed, 8 transactions have been concluded within the main logistics corridor in 2015, representing nearly 466,000 sq m of warehouse space (compared to 349,000 sq m recorded in 2014). Among the transactions identified during the year, some notable transactions included: MAISON DU MONDE (96,000 sq m) in Saint-Martin-de-Crau, JJA (70,000 sq m) in Vaulx-le-Penil, BUT (60,000 sq m) in Pusignan and CAFCOM (56,000 sq m) in the commune of Amblainville.

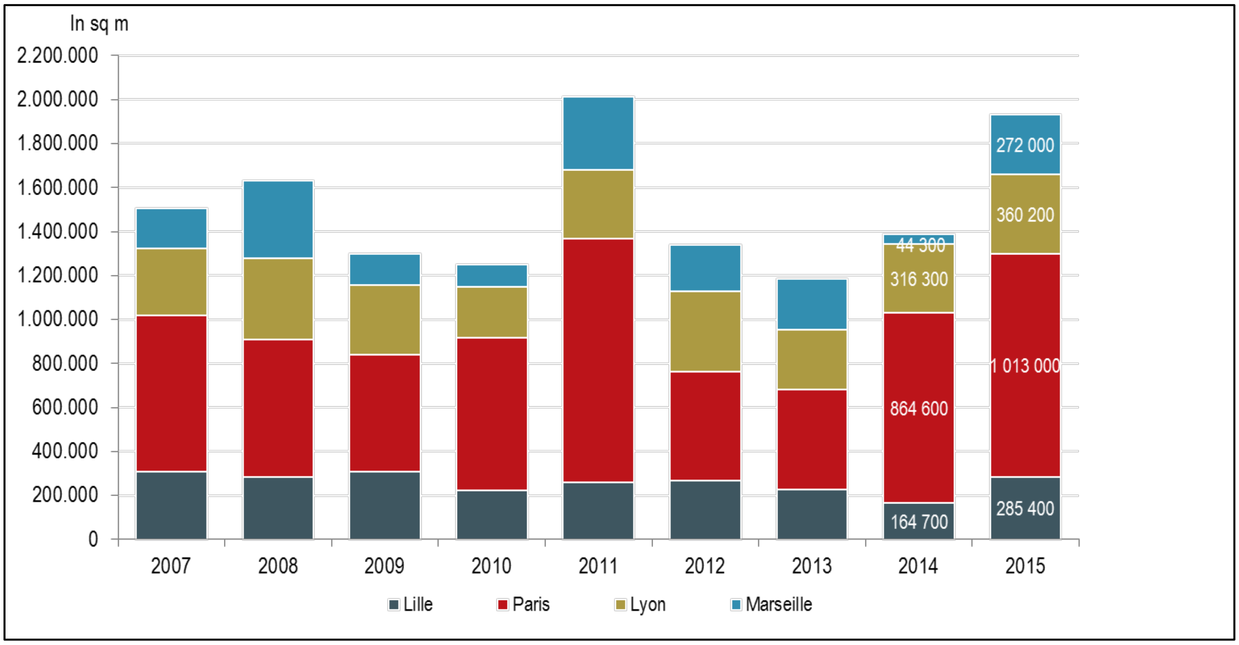
If available supply across the French logistics corridor does not evolve from its current situation, the impact will be across all poles: with 1.6 million square meters available over the year, new premises only represented 14%.

If we look at projects throughout the logistics corridor, those available with a construction permit are few and far between (less than 645,000 sq m), impacting especially the achievements of turnkey operations, whose share of 22% has remained low for several years and well below that found in the rest of the territory. As these projects would be launched before commercialization, they could also complement the stock of new buildings in the regions where scarcity prevails, such as in the region Ile-de-France and the region around Lyon.

French occupier Market

	Nord Pas-de-Calais	Greater Paris Region	Greater Lyon Region	Greater Marseille Region
Stock	2,780,000 sq m	11,088,000 sq m	5,005,000 sq m	2,528,000 sq m
Take-up	285,400 sq m	1,013,000 sq m	360,200 sq m	272,000 sq m
Average deal	22,000 sq m	15,300 sq m	19,000 sq m	38,900 sq m
Supply within one year*	139,100 sq m	800,100 sq m	379,600 sq m	255,600 sq m
Prime rent (€/sq m/yr)	42 - 43	47 - 52	43 - 46	42 - 48
Effective rent (€/sq m/yr)	35 - 37	42 - 44	36 - 40	35 - 42

Breakdown and trend of the take-up on the 4 main markets



4.2.3.2 Investment market

The total volumes invested in logistics properties represent 8% of volumes in France engaged in commercial real estate in 2015, a slightly higher proportion than the average between 2004 and 2014 (7%).
The market for logistics warehouses in France has made steady progress during the year 2015. With nearly 1.2 billion euros, Q4 has broken all records and even exceeded the annual volumes observed between 2008 and 2012. Thus, accumulated, more than 1.9 billion euros of investment (+ 82% in one year) were identified in the hexagon in 2015: this to be the best level since the peak in 2007.

This performance is explained by the large number of transactions of over 100 million euros finalized in 2015: 6 transactions of this size versus 1 single transaction in 2014. Five of them concern the disposals of portfolios: those of TIAA, and APOLLO acquired by CBRE GIP, the GLL portfolio sold to AEW and finally the portfolios of GE and GOODMAN which have been acquired by BLACKSTONE. By themselves, these transactions represent more than half of the volumes placed in France on the logistics market.

The attractiveness of the French market is undeniable: more and more international buyers, including from the US, are placing their capital in the French market. Domestic investors account for only 27% of the amount invested in 2015.

The lack of premium products, combined with investor appetite for such assets, has again exerted downward pressure on prime yields that are now positioned around 5.80% in Ile-de-France.

Acquéreurs	Vendeurs	Région	Commune	Surface	Prix (en M€)
CBRE GLOBAL GIP	TIAA HENDERSON REAL ESTATE	Portefeuille Pan euro « Viking » – Partie France		441 100 m²	248
CBRE GLOBAL GIP	APOLLO REAL ESTATE	Portefeuille « Nautilus » – France		439 800 m²	240
AEW EUROPE	GLL REAL ESTATE PARTNERS	Portefeuille « Corridor » – France		279 900 m²	196
BLACKSTONE	GE CAPITAL REAL ESTATE	Portefeuille – France		333 300 m²	150
BLACKSTONE	GOODMAN	Portefeuille Pan euro « Shine » – Partie France		299 700 m²	149
VEROTRADE	FONCIERE EUROPE LOGISTIQUE	Ile-de-France	Pantin	150 000 m²	108
PROLOGIS	MAISONS DU MONDE	Portefeuille Mistral – France		137 400 m²	79,6
AEW	MAISONS DU MONDE	PACA	Saint-Martin-de-Crau	99 300 m²	65
INDUSTRIAL SECURITIES MANAGEMENT	TIAA HENDERSON REAL ESTATE	Portefeuille « Sunrise » – France		112 600 m²	58
IDI GAZELEY	FULTON	Portefeuille Ile-de-France		121 000 m²	55
ROCKSPRING	CBRE GLOBAL INVESTORS	Portefeuille Midas - France		97 600 m²	48
SCAPRIM	AFFINE	Portefeuille « Corelog » – France		115 900 m²	42
SEGRO	ID LOGISTICS	PACA	Grans	51 300 m²	35

4.2.3.3 Investment outlook

Currently, there is still plenty of cash to invest in the French logistics market, and there are few individual prime assets on the market, for which an important interest exists among investors.
Sales of portfolios should again remain predominant in 2016: several pan-European portfolios or 100% French portfolios should be sold by the end of the year.
Thus, given the portfolios currently being marketing or under due diligence, we believe that the investment volume should again exceed 1.5 billion euros in 2016.

In parallel, we continue to observe the return of institutional investors to the French market – either French or foreign institutional investors - who wish to diversify their assets.
The decrease in prime yields is expected to continue and to come close to 5.5%, given the lack of offer combined with increasing demand for quality assets.

Investissement	2011	2012	2013	2014	2015	Evol. à un an
Volume total investi en logistique en France	702 Millions € *30 transactions*	1 068 Millions € *33 transactions*	1 300 Millions € *49 transactions*	1 055 Millions € *35 transactions*	1 917 Millions € *46 transactions*	↗
Part des portefeuilles	60%	63%	51%	66%	74%	↗
Transaction moyenne	23,4 Millions €	32,4 Millions €	26,2 Millions €	30,2 Millions €	41,8 Millions €	↗
Taux de rendement prime	7,00 %	7,20%	7,00%	6,75%	5,80 %	↘

4.2.4 Montea's property portfolio on 31/12/2015

	Total 31/12/2015	Belgium	France	The Netherlands	Total 31/12/2014
Real estate portfolio - Buildings					
Number of sites	**45**	21	16	8	41
Warehouse space (m²)	**682.503**	327.867	212.861	141.775	632.818
Office space (m²)	**66.506**	34.926	15.924	15.656	58.248
Total space (m²)	**749.009**	362.793	228.785	157.431	691.066
Development potential (m²)	**119.569**	68.610	32.904	18.055	149.944
Fair value (K EUR)	**480.721**	225.438	134.713	120.571	400.916
Investment value (K EUR)	**503.980**	230.957	144.008	129.014	418.729
Annual contractual rents (K EUR)	**36.448**	16.357	11.233	8.857	31.665
Gross yield (%)	**7,58%**	7,26%	8,34%	7,35%	7,90%
Gross yield on 100% occupancy (%)	**7,82%**	7,64%	8,54%	7,35%	8,56%
Un-let property (m²)	**26.719**	19.273	7.446	0	22.406
Rental value of un-let property (K EUR)	**1.150**	874	276	0	905
Occupancy rate (% of m²)	**96,0%**	93,7%	96,7%	100,0%	96,60%
Real estate portfolio - Solar panels					
Fair value (K EUR)	**10.369**	10.369	0	0	7.527
Real estate portfolio - Developments					
Fair value (K EUR)	**25.640**	12.344	0	13.296	16.295

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

	Belgium	**France**	**the Netherlands**
Fair value (excl. solar panels and development)	€ 225.438 million	€ 134.713 million	€ 120.571 million
Acquisition value	€ 201.085 million[25]	€ 135.130 million	€116.557 million
Insured value	€ 216.750 million	**€ 77.667 million	€ 99.050 million
Rental income	€ 16.357 million	€ 11.233 million	€ 8.857 million

(*) this rental income relates to the contractual rent (also see table below).

(**) this is the insured value of the buildings in the property portfolio (fair value of € 85.80 million) insured by Montea. 63.7% of the fair value of the sites in France (€ 134.7 million), with a total fair value of € 85.80 million, are insured by Montea. The remainder of the portfolio in France is insured by the tenants themselves (see point 1.2.4). This relates to 3 sites of which the largest site, Saint-Cyr-en-Val in Orléans, has a fair value of € 37.0 million.

The total surface of the property portfolio is 749,009 m², spread across 21 sites in Belgium, 8 sites in the Netherlands and 16 sites in France.

The total initial acquisition value of the portfolio in Belgium is € 201,085 million in Belgium, € 135,130 million in France and € 116,557 million in the Netherlands[26].

---

[25] The amount of the acquisition value (€ 221.2 million) was wrong in the annual report 2014. The correct amount was € 203.7 million.

[26] 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 the Netherlands and in France is defined as the total acquisition value, including all costs associated with the purchase of the site.

The hypotheses regarding the valuation of the real estate expert can be found in section 4.2.5 of this report.

Increase in the fair value of the buildings in the property portfolio, by € 79.8 million to € 480.7 million, mainly as the result of:

- In the Netherlands: € 64.1 million, consisting of 3 acquisitions ('s Heerenberg - leased to JCL Logistics; Apeldoorn - leased to HSL, and Tilburg - leased to Versteijnen Group, and the handover of 1 development (begun in 2014) in Heerlen (leased to Doc Morris).
- In France: € 14.0 million, consisting of 1 acquisition in Lyon, leased to Cofriset and the increase in the fair value of the existing property portfolio at 31/12/2014 through the fall in the investment yields.

The fair value of the property portfolio, assuming constant composition, (excluding the new investments described above), based on the valuation by the independent property assessor, rose in 2015 by € 10.5 million (2.6% of the total fair value of the property portfolio at the beginning of the financial year), and is mainly the result of a 29 bps fall in the investment yield.

One of the 45 sites represents more than or 5% of the consolidated property portfolio :

	Fair values	Client(s)
• Saint-Cyr-en-Val, Orléans	€ 37.0 million	FM Logistics

this site represents 7.7% of the total fair value of the portfolio (without the development projects)
(the net rental income on this site for 2015 represented € 3.3 million, i.e. 9.6% of the total net rental result for 2015)

The total development potential is approximately 119,569 m², approximately 57% 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. Montea is constantly in contact with existing customers at these sites regarding possible further development.

The gross property return[27] on the total of the portfolio was 7.64% in Belgium, 7.35% in the Netherlands and 8.54% in France, based on a totally leased portfolio and taking account of the estimated rent on vacant property (the net property returns for Belgium, the Netherlands and France were 7.26%, 7.35% and 8.34% respectively, not taking account of the estimated rent on vacant property).

The occupancy rate achieved by Montea on the total portfolio was 96.0%[28], based on the number of m² occupied.

The annual contractual rental income[29] (excluding rental guarantees) was € 36.45 million, an increase of 15.1% compared with the situation at 31/12/2014. This rise was derived mainly from additional purchases.

---

27 The gross property return is defined as follows: contracted rental income, including concessions and building rights payments, divided by the fair value of the property portfolio.

28 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.

29 This is the annual contract rental income, as agreed in the lease contract with the tenant. This relates to leased premises only.

Contractual rental income in Belgium was € 16.36 million, 9.3% higher than the estimated rental value[30] of the leased space. Contractual rental income in the Netherlands was € 8.86 million, 2.2% higher than the estimated rental value of the leased space. Contractual rental income in France was € 11.23 million, 9.6% higher than the estimated rental value of the leased space.

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 6.8 years. Montea strives to make this term as long as possible, but the company is operating in a market where contracts are normally for 3, 6, 9 years.

The next table shows the expiry date of these rents, based on the annual contracted rental income, whith a distinction between the expired rents in 2016, 2017 till 2018 and later than 2018. 8.0% of the rents are due in 2016.

[30] This is the estimated rental value per m², as established by the property assessor, taking account of the location, the features of the building, the business activity, etc., multiplied by the number of m². Premises that are not leased (and for which there is no contractual agreement) are not taken into account here.

CONTRACTUAL RENTAL INCOME (EUR x 1.000)	31/12/2015 12 months	0 - 1 year	1 - 3 years	> 3 years
Belgium	**16.357**	**1.788**	**4.589**	**9.980**
AALST (ABCDEFG), TRAGEL 48-58	662	0	73	589
AALST (HIJ), TRAGEL 48-58	1.099	0	1.082	17
AALST (KLM), TRAGEL 48-58	268	0	11	257
BORNEM, INDUSTRIEWEG 4-24	146	0	98	48
GRIMBERGEN, EPPEGEMSESTWG 31-33	1.186	0	1.186	0
HOBOKEN SMALLANDLAAN 7	125	0	0	125
PUURS RIJKSWEG 89 & 85	0	0	0	0
HERENTALS, TOEKOMSTLAAN 33	0	0	0	0
NIJVEL, RUE DE L'INDUSTRIE	547	0	547	0
PUURS, SCHOONMANSVELD 18	769	769	0	0
EREMBODEGEM, INDUSTRIELAAN 27	970	471	161	338
MECHELEN, ZANDVOORTSTRAAT 16	839	0	488	351
VORST, HUMANITEITSln 292, SITE LIPTON	346	0	0	346
VORST, HUMANITEITSln 292, SITE CM	358	0	0	358
VORST, HUMANITEITSln 292, SITE RESTAURANT (STATION)	0	0	0	0
VORST, HUMANITEITSln 292, SITE METRO	527	0	0	527
VORST, HUMANITEITSln 292, SITE CdS	501	0	0	501
MILMORT, AVENUE DU PARC INDUSTRIEL	1.107	548	0	559
HEPPIGNIES, RUE BRIGADE PIRON	757	0	0	757
ZAVENTEM, BRUCARGO 830	2.118	0	0	2.118
ZAVENTEM, BRUCARGO 831	613	0	0	613
GENT, EVENSTUK	1.014	0	0	1.014
ZAVENTEM, BRUCARGO 763	290	0	290	0
GENT, KORTE MATE	653	0	653	0
ZAVENTEM, BRUCARGO 738-1	475	0	0	475
WILLEBROEK, DE HULST SITE NEOVIA	0	0	0	0
WILLEBROEK, DE HULST SITE DACHSER	986	0	0	986
France	**11.233**	**1.124**	**3.481**	**6.628**
SAVIGNY LE TEMPLE, RUE DU CHROME	345	0	0	345
FEUQUIERES, ZI DU MOULIN 80	359	359	0	0
CAMBRAI, P. d' A. ACTIPOLE	485	0	0	485
ROISSY, RUE DE LA BELLE ETOILE 280	313	0	0	313
BONDOUFLE, RUE HENRI DUNANT 9-11	236	0	236	0
DECINES-CHARPIEU, RUE ARTHUR RIMBAUD 1	374	0	374	0
LE MESNIL AMELOT, RUE DU GUE 4 & RUE DE LA GRANDE BO	847	528	68	251
ALFORTVILLE, LE TECHNIPARC	219	0	219	0
ROISSY, RUE DE LA BELLE ETOILE 383	640	0	287	353
LE MESNIL AMELOT, RUE DU GUE 1-3	492	237	137	118
SAINT PRIEST, RUE NICEPHORE NIEPCE	708	0	708	0
SAINT-CYR-EN-VAL, RUE DES GENETS 660	3.302	0	0	3.302
MARENNES, LA DONNIERE	861	0	861	0
SAINT-LAURENT-BLANGY, ACTIPARK	636	0	0	636
SAINT-MARTIN-DE-CRAU	825	0	0	825
SAINT PRIEST, PARC DES LUMIERES	591	0	591	0
The Netherlands	**8.857**	**0**	**0**	**8.857**
ALMERE, STICHTSE KANT	1.188	0	0	1.188
WADDINXVEEN, EXPORTWEG	999	0	0	999
OSS, VOLLENHOVERMEER	1.181	0	0	1.181
BEUNINGEN, ZILVERWERF	1.025	0	0	1.025
S HEERENBERG, DISTRIBUTIEWEG	1.464	0	0	1.464
HEERLEN, BUSINESS PARK AVENTIS	1.450	0	0	1.450
APELDOORN, IJSELDIJK	550	0	0	550
TILBURG	1.000	0	0	1.000
TOTAL	**36.448**	**2.912**	**8.070**	**25.466**

Montea also invested in solar panels in 2011. As of 31/12/2015, the total fair value of the solar panels was € 10.4 million.

The fair value of these solar panels relates to 8 solar panel projects: two in Wallonia (Heppignies and Milmort) and 6 in Flanders (Bornem, Herentals, Grimbergen, Puurs, Port of Ghent and Erembodegem). The net increase in the fair value of the solar panels is due mainly to the acquisition of 2 solar panel projects (Port of Ghent and Erembodegem).

These solar panels provide an additional net annual income of approximately € 1.0 million, which is generated mainly from the return from the green power certificates, with an initial fixed term of 20 years in Flanders, 15 years in Wallonia and 10 years in the Brussels Capital Region.

The following table provides a summary of the total property portfolio explaining that:

- the contractual rental income is 100.1% of the estimated rental value[31];
- the occupancy ratio is 96.0% based on m²;

	Construction year / Year most important renovations	Offices m²	Warehouses m²	Total m²	Contracted Rent Income	Estimated Rental Value (*)	Occupancy rate (as % of total m²)
Belgium							
AALST (ABCDEFG), TRAGEL 48-58	(1975 - 2002) 2009	2.098	17.883	19.981	661.818	657.074	100,0%
AALST (HIJ), TRAGEL 48-58	2000 - 2002	540	17.740	18.280	1.099.350	799.128	100,0%
AALST (KLM), TRAGEL 48-58	1985 - 2009	1.397	4.591	5.988	268.099	255.615	100,0%
BORNEM, INDUSTRIEWEG 4-24	1977	1.437	13.163	14.600	145.807	573.855	100,0%
GRIMBERGEN, EPPEGEMSESTWG 31-33	1980 - 1995 - 1996 - 2003 -2014	2.033	31.136	33.169	1.186.447	1.392.784	100,0%
HOBOKEN SMALLANDLAAN 7	2001	402	836	1.238	125.000	85.980	100,0%
PUURS RIJKSWEG 89 & 85	1975 - 1982 - 1984 - 1991	0	0	0	0	0	0,0%
HERENTALS, TOEKOMSTLAAN 33	2004	1.642	12.920	14.562	0	576.094	0,0%
NIJVEL, RUE DE L'INDUSTRIE	2000	1.385	12.649	14.034	547.197	552.325	100,0%
PUURS, SCHOONMANSVELD 18	1998	1.334	11.907	13.241	769.115	583.000	100,0%
EREMBODEGEM, INDUSTRIELAAN 27	1973 / 2007	3.479	13.314	16.793	970.391	840.130	66,4%
MECHELEN, ZANDVOORTSTRAAT 16	1984 - 1990 - 1998	1.409	21.549	22.958	839.292	888.180	92,8%
VORST, HUMANITEITSln 292, SITE LIPTON	1984	778	4.819	5.597	345.581	254.220	100,0%
VORST, HUMANITEITSln 292, SITE CM	1966 / 2007	0	7.150	7.150	358.089	286.000	100,0%
VORST, HUMANITEITSln 292, SITE RESTAURANT (STATION)	1971 / 1995	2.110	0	2.110	0	168.800	0,0%
VORST, HUMANITEITSln 292, SITE METRO	2014	0	3.850	3.850	527.147	269.500	100,0%
VORST, HUMANITEITSln 292, SITE CdS	2015	0	10.505	10.505	500.730	457.900	100,0%
MILMORT, AVENUE DU PARC INDUSTRIEL	2000	1.225	27.112	28.337	1.106.581	1.090.095	99,7%
HEPPIGNIES, RUE BRIGADE PIRON	2011	730	13.381	14.111	757.305	564.830	100,0%
ZAVENTEM, BRUCARGO 830	2012	4.328	23.951	28.279	2.118.203	1.999.390	100,0%
ZAVENTEM, BRUCARGO 831	2013	1.896	7.891	9.787	612.942	677.685	100,0%
GENT, EVENSTUK	2013	755	23.769	24.524	1.014.226	1.027.720	100,0%
ZAVENTEM, BRUCARGO 763	1995 -1999 / 2007 / 2009	1.198	4.875	6.073	290.112	333.215	100,0%
GENT, KORTE MATE	2011	1.012	12.024	13.036	653.296	608.620	100,0%
ZAVENTEM, BRUCARGO 738-1	2014	1.574	4.471	6.045	474.762	488.775	100,0%
WILLEBROEK, DE HULST SITE NEOVIA	2014	512	19.000	19.512	0	953.940	100,0%
WILLEBROEK, DE HULST SITE DACHSER	2014	1.652	7.381	9.033	986.000	844.155	100,0%
Total Belgium		**34.926**	**327.867**	**362.793**	**16.357.490**	**17.229.010**	**93,7%**
France							
SAVIGNY LE TEMPLE, RUE DU CHROME	1992 / 2007	646	15.650	16.296	345.150	602.952	54,3%
FEUQUIERES, ZI DU MOULIN 80	1995 - 1998 - 2000	763	8.230	8.993	358.911	247.308	100,0%
CAMBRAI, P. d' A. ACTIPOLE	2008	682	10.588	11.270	484.610	469.990	100,0%
ROISSY, RUE DE LA BELLE ETOILE 280	1990 - 2001	737	3.548	4.285	312.885	299.950	100,0%
BONDOUFLE, RUE HENRI DUNANT 9-11	1990	1.307	2.478	3.785	236.353	227.100	100,0%
DECINES-CHARPIEU, RUE ARTHUR RIMBAUD 1	1996	1.108	2.693	3.801	374.396	291.480	100,0%
LE MESNIL AMELOT, RUE DU GUE 4& RUE DE LA GRANDE BORNE 11	1992	1.375	7.403	8.778	847.499	789.993	100,0%
ALFORTVILLE, LE TECHNIPARC	2001	0	1.995	1.995	219.450	219.450	100,0%
ROISSY, RUE DE LA BELLE ETOILE 383	2001	1.965	4.492	6.457	640.211	615.885	100,0%
LE MESNIL AMELOT, RUE DU GUE 1-3	1998	1.211	4.043	5.254	491.818	472.860	100,0%
SAINT PRIEST, RUE NICEPHORE NIEPCE	2008	906	15.120	16.026	708.022	651.300	100,0%
SAINT-CYR-EN-VAL, RUE DES GENETS 660	1996 - 2006	1.655	73.797	75.452	3.301.549	2.868.799	100,0%
MARENNES, LA DONNIERE	1998 - 2000 / 2001	524	19.965	20.489	860.538	860.538	100,0%
SAINT-LAURENT-BLANGY, ACTIPARK	2006	757	15.328	16.085	635.558	606.380	100,0%
SAINT-MARTIN-DE-CRAU	2002	1.300	18.447	19.747	825.274	776.000	100,0%
SAINT PRIEST, PARC DES LUMIERES	2006	988	9.084	10.072	591.259	503.600	100,0%
Total France		**15.924**	**212.861**	**228.785**	**11.233.483**	**10.503.585**	**96,7%**
Netherlands							
ALMERE, STICHTSE KANT	2008	510	25.338	25.848	1.188.198	1.291.860	100,0%
WADDINXVEEN, EXPORTWEG	2009	2.069	17.380	19.449	999.050	996.558	100,0%
OSS, VOLLENHOVERMEER	2014	680	26.825	27.505	1.181.126	1.218.225	100,0%
BEUNINGEN, ZILVERWERF	2009	2.987	14.908	17.895	1.025.000	909.753	100,0%
S HEERENBERG, DISTRIBUTIEWEG	2009	2.376	20.593	22.969	1.463.740	1.391.685	100,0%
HEERLEN, BUSINESS PARK AVENTIS	2015	4.787	9.273	14.060	1.450.000	1.176.973	100,0%
APELDOORN, IJSELDIJK	2011	701	8.308	9.009	550.000	617.128	100,0%
TILBURG	2014	1.546	19.150	20.696	1.000.000	1.078.210	100,0%
Total Netherlands		**15.656**	**141.775**	**157.431**	**8.857.114**	**8.680.392**	**100,0%**
Total		**66.506**	**682.503**	**749.009**	**36.448.087**	**36.412.987**	**96,0%**

*the estimated rental value per m², as established by the property expert, takes into account the location and features of the site, as well as the technical characteristics of the building, the type of business, etc., multiplied by the number of m².
The estimated rental value per m² is the market rental value and relates also to the unlet, vacant buildings. The contractual rental income relates only to the contractual rents for leased properties..

[31] The contractual rental income of the site Grimbergen amounts € 1,186K. This amount represents 50% of the total contractual rental income on this site, because this site is co-property with WDP Comm.VA (50%/50%).

The site in Puurs at 85-89 Rijksweg relates to a plot of land at which the buildings were demolished in previous years. In Bornem the contractual rent is much less than the estimated rental value. A large proportion of the space here is being redeveloped and hence is not included in the calculation for the occupancy rate. This is also the case for the site in Vorst, Restaurant. The site Herentals is vacant and is therefore included in the vacancy rate. For the site in Willebroek, De Hulst Neovia no contractual rental income is mentioned because Montea has received for this site € 1.5 million as compensation for the termination of the contract with Neovia Logistics.

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. In case a site will be fully renovated, the site will be booked in the year of renovation.

Construction year with most important renovations	Offices m²	Warehouses m²	Total m²	% of total
1977	1.437	13.163	14.600	1,95%
1984	778	4.819	5.597	0,75%
1990	1.307	2.478	3.785	0,51%
1992	0	0	0	0,00%
1995	2.110	0	2.110	0,28%
1996	1.108	2.693	3.801	0,51%
1998	3.954	37.499	41.453	5,53%
1999	0	0	0	0,00%
2000	3.373	47.991	51.364	6,86%
2001	3.628	30.836	34.464	4,60%
2002	1.840	36.187	38.027	5,08%
2003	0	0	0	0,00%
2004	3.188	32.070	35.258	4,71%
2005	0	0	0	0,00%
2006	3.400	98.209	101.609	13,57%
2007	4.125	36.114	40.239	5,37%
2008	2.098	51.046	53.144	7,10%
2009	12.125	80.230	92.355	12,33%
2010	0	0	0	0,00%
2011	2.443	33.713	36.156	4,83%
2012	4.328	23.951	28.279	3,78%
2013	2.651	31.660	34.311	4,58%
2014	6.451	92.663	99.114	13,23%
2015	6.162	27.181	33.343	4,45%
Total	**66.506**	**682.503**	**749.009**	**100,00%**

Montea also analyses its real estate portfolio upon the activities of its clients, the type of user and the type of building.

The table below shows the various percentages based on annual rental income, indicating that tenants from the logistics sector represent 45.3% of the portfolio.
Moreover, the part of semi-industrial buildings represens less than 10%. It belongs to Montea's strategy to reduce the part of semi-industrial properties.

MONTEA SPACE FOR GROWTH	%
Sector	
Logistic	45,3%
Consumer goods	32,0%
Services	1,7%
Industry	15,2%
Other	0,7%
Vacant	5,1%
	100,0%
Type of Customer	
End user	48,2%
Logistic	46,8%
Vacant	5,1%
	100,0%
Type of Site	
Semi-industrial	9,6%
Light Industrial	90,4%
	100,0%

4.2.5 Conclusions of the property assessor[32]

In line with Chapter III, Section F of the Regulated Property Companies Act (GVV) of 12th May 2014, Montea is required to have its property assets valued by an independent property assessor as of 31st December 2015. We were appointed for the property valuation for the entire portfolio in Belgium, the Netherlands and France. We have also consolidated the results of the valuation, the conclusions of which are discussed below.

Jones Lang LaSalle has been operating in Belgium since 1965 and has a long record of service in relation to valuing commercial property. We have sufficient knowledge about the property markets in which Montea operates. We also have the required and accredited professional knowledge to conduct this valuation. The assignment was conducted with total independence by the property assessor.

As is usually the case, we carried out our assignment based on the details provided by Montea in relation to the rent, charges and taxes to be borne by the landlord, the works to be carried out and all other factors that might have an influence on the value of the properties. We assume that this information is accurate and complete. As explicitly stated in our assessment reports, they do not involve any research into the structural and technical quality of the buildings, nor the possible presence of harmful substances. Montea is well aware of the possible existence of these risk factors and hence prior to purchasing each build has a technical and legal due diligence examination carried out.

Opinion

The investment value is defined as the most probable value that might reasonably be achieved, on the date of the valuation, under normal sales conditions between two willing and well-informed parties, prior to the deduction of transaction charges.

We have used a static capitalisation method for conducting our valuations. As a means of control, we have also analysed the price per m².

The static capitalisation is in the form of a “Term and Reversion”. The valuation is broken down into two parts: current income, based on the contractual rent, capitalised until the next break option in the lease, the market rental value is then capitalised in perpetuity and discounted. This method of valuation used a multiplier for the current and future rent that is based on analyses of comparable sales.

The multiplier varies, depending on an investor’s required yield for a comparable building at a comparable location. This yield reflects the risks specific to the sector (future vacancies, credit risk, maintenance costs, etc.). Where there are exceptional factors specific to the building, an adjustment is made.

Examples of this are:
- no recovery of charges and taxes by the owner, whereas normally these would be expected to be borne by the tenant;
- renovation and repair works necessary on the date of the valuation in order to guarantee the market rent value;

[32] The property specialist’s full report dated 31/12/2015 is not included in this annual report, but the conclusions only. This is because the full report contains confidential information that may be of interest to the competition. This report was drawn up at the request of the issuer, with the property specialists agreeing to the inclusion of the conclusions in this registration document.

- exceptional charges;
- the effect of any concession agreements;
- possible development potential.

The “capitalisation” method that we have applied here is to be distinguished from the “updated cashflow” method. However, with this latter method, future growth and indexation are specifically included. The result of this distinction is that the yields used in a valuation with updated cashflows (DCF) are higher than with the static capitalisation method.

The yields used are based on the opinion of the valuer after comparing other sales achieved. There are numerous factors that affect the market and they depend on the type of buyer. In general terms, the following criteria are taken into consideration: the quality of the tenant and the length of the lease, the location of the building, the condition and architectural quality of the building, the age and state of maintenance of the building and the efficiency of the building (ratio between the gross and net floor space, parking ratio).
Finally, it is the effect of supply and demand on the investment market that is defining.

In accordance with IAS/IFRS standards, fair value (“*fair value*”) is used for the accountancy reporting of a GVV. Following on from a press release issued by the Belgian Association of Asset Managers (BEAMA) dated 8th February 2006, the fair value is obtained by deducting 2.5% transaction charges from buildings with an investment value in excess of € 2,500,000. For buildings with an investment value less than € 2,500,000, registration fees amounting to 10% or 12.5% are deducted, depending on the region where the property is located.
Based on the comments set out in the paragraphs above, we confirm that the investment value of Montea’s consolidated property assets at 31st December 2015, excluding the solar panels and current developments, was

€ 504,780,439[33]
(Five hundred and four million seven hundred and eighty thousand four hundred and thirty-nine Euro).

This value includes the investment value of the entire portfolio in Belgium, the Netherlands and France.

The sale value of Montea’s property assets at 31st December 2015, in accordance with the fair value (“*fair value*”) of Montea’s consolidated property assets, was:

€ 481,505,100[34]
(Four hundred and eighty-one million five hundred and five thousand one hundred Euro)

This value includes the fair value of the entire portfolio in Belgium, the Netherlands and France.

On this basis, the initial yield of the property portfolio was 7.22%.

Jones Lange Lasalle BVBA
Marnixlaan 23
1000 Brussels
Represented by R. Scrivener

---

[33] This investment value, stipulated by JLL differs from the investment value, edited in the property report. This difference can be explained because this amount includes the proper offices of Montea (included in the tangible assets of the balance sheet).

[34] This fair value, stipulated by JLL differs from the fair value, edited in the property report. This difference can be explained because this amount includes the proper offices of Montea (included in the tangible assets of the balance sheet).

4.3 Major achievements during the financial year

4.3.1 Investment activity during 2015

- **16th January 2015 – Finalisation of acquisition of a logistics distribution centre of approximately 22,969 m² in 's-Heerenberg (NL)**[35]

In December 2014, Montea announced the acquisition of a logistics distribution centre on land of 45,500 m². The logistics building is located in 's-Heerenberg at the "Euregionaal Bedrijventerrein" multimodal logistics park, Close to the German border. The distribution centre was built in 2009-2011 and consists of 15,593 m² of warehousing, 5,200 m² cross-dock, 2,376 m² office space and has 44 loading docks. The building is leased for a fixed period of 12 years to JCL Logistics Benelux, which specialises in storage and trans-European distribution.

Montea "Space for Growth" – site at 's-Heerenberg (NL)

This transaction was completed on 16th January 2015. It represents a total investment value of € 20.4 million and generates additional annual rent of € 1.45 million per year. This investment is in line with the fair value, as defined by the property assessor, and was financed by bank funding.

- **31st March 2015 – Acquisition of a logistics building of 10,072 m² in St. Priest-Lyon (FR), leased to Cofriset**[36]

On 31st March 2015, Montea acquired a logistics building, strategically located 10 km from St.-Exupéry airport in Saint-Priest, near Lyon. The building consists of 9,084 m² of warehousing and 988 m² of office space and has 12 loading docks. The site also offers further potential to expand of approximately 4,500 m².

The building is leased to Cofriset for a residual period of 2.7 years. Cofriset is a subsidiary of the Beijers group, specialising in the distribution of air-conditioning and cooling equipment.

Montea "Space for Growth" – Site at St. Priest - Cofriset (FR)

[35] For more information, please see our press release of 17/12/2014 or visit www.montea.com.
[36] For more information, please see our press release of 3/04/2015 or visit www.montea.com.

This transaction represents a total investment value of € 6.55 million and generates additional annual rent of € 596K per year, which is an initial yield of +/- 9.1%. This investment is in line with the fair value, as defined by the property assessor, and was financed by bank funding.

The acquisition enabled Montea to strengthen its position in Saint-Priest, where it already owns 13,800 m² of warehousing, leased to Brosette (Saint-Gobain group).

➢ 20th May 2015 – Acquisition of a cross-dock centre at the Ecofactorij in Apeldoorn (NL)[37]

On 20th May 2015, Montea reached an agreement with WGA Versteijnen Investments Transport BV in Tilburg regarding the acquisition of a recent cross-dock building in Apeldoorn. This state-of-the-art building is situated on land of 32,400 m² and contains warehousing of 8,308 m² and office space of 701 m².

Montea "Space for Growth" - Site at Apeldoorn - HSL (NL)

HSL (part of WGA Versteijnen Beheer) leases the building after assignment via a triple net lease for a fixed term of 10 years. This sale & rent back transaction represents an investment of € 7.2 million, with an initial yield of 7.64%. This acquisition is in line with the valuation of the property expert and was funded by equity (contribution in kind).

➢ 25/11/2015 – Tilburg, Vossenberg West[38]

Montea purchased a modern logistics building of 19,150 m² of high-quality warehousing and 1,546 m² of office space on land of approximately 34,000 m² at the Vossenberg West logistics zone. The site represents an investment value of € 15 million and was based on a triple net lease agreement with a fixed term of 8 years. This purchase is in line with the valuation of the property expert and was funded by bank debt.

Montea "Space for Growth" - Site at Tilburg (NL)

[37] For more information, please see our press release of 20/05/2015 or visit www.montea.com.
[38] For more information, please see our press release of 25/11/2015 or visit www.montea.com.

4.3.2 Development activity during 2015

- **16th March 2015 – Handover of build-to-suit project of 14,060 m² for DocMorris at industrial estate in Heerlen (NL)[39]**

Montea and Bouwbedrijf L. van de Ven / Korund developed a built-to-suit project of 14,060 m² for Doc Morris, Europe's biggest mail order pharmacy. The land is situated at the European Business Park Avantis in Heerlen, on the border between the Netherlands and Germany. The site complies with the strict standards required for storing pharmaceutical goods and consists of 7,523 m² of warehousing (expandable), a mezzanine area of 1,750 m², 4,787 m² of office space and 390 parking spaces. Doc Morris signed a 15-year lease agreement for this ultramodern site.

Montea "Space for Growth" - Site at Heerlen (NL)

Montea acquired this property at a net initial yield of 7.33%. The investment value of this project is estimated at approximately € 19.2 million. This transaction was partly financed by the drawdown of decommitted loans as the result of the capital increase conducted by Montea in June 2014 and the drawdown of new bank finance.

- **3rd April 2015 – Development of a built-to-suit project of 10,505 m² for CdS at Unilever site in Vorst (BE)[40]**

As part of the redevelopment plan for the site in Vorst, a built-to-suit distribution centre has already been developed for Metro[41]. Montea will then develop a sustainable built-to-suit project for CdS, with total floor space of 10,505 m². The new distribution centre is operational in the first quarter of 2016. Montea has signed an agreement with CdS for a fixed-term lease of 15 years. CdS specialises in the hire of reception and catering accessories (www.cdsonline.be).

Montea "Space for Growth" - Site at Vorst - CdS (BE)

The estimation of the required budget amounts to € 4.5 million and will be financed with bank debt. Montea is implementing this project at a net initial yield of ±7.3%.

[39] For more information, please see our press release of 13/05/2015 or visit www.montea.com.
[40] For more information, please see our press release of 03/04/2015 or visit www.montea.com.
[41] For more information, please see our press release of 07/02/2014 or visit www.montea.com.

➢ **3rd April 2015 – Development of a build-to-suit project of approximately 13,000 m² for Movianto in Erembodegem (BE) – Purchase of 46,000 m² of land**[42]

In June 2014, logistics provider Movianto selected Montea as its partner for the development and financing of an additional distribution centre in Aalst[43]. Montea purchases land of 46,000 m² at Industriezone Zuid IV in Erembodegem. The state-of-the-art logistics distribution centre of +/- 13,000 m², with two GDP cross-dock areas (+2+8°C and +15°C+25°C) and adjoining offices has been operational since January 2016. This development represents an investment value of € 15.0 million, was financed with bank debt and is in line with the valuation of the property expert.

Montea "Space for Growth" – Site at Zuid IV Erembodegem - Movianto (BE)

➢ **17th September 2015 – Start of a build-to-suit project for American multinational at MG Park De Hulst in Willebroek**[44]

The build-to-suit development comprises land of approximately 48,000 m² on which a logistics complex will be constructed for an American multinational that operates in the supply of spare parts. The building consists of 27,100 m² of warehousing, 800 m² of office space and a mezzanine area of approximately 1,100 m². The building can be extended by 6,800 m² as part of a second phase. The building became operational in the first quarter of 2016. Montea will acquire this property on handover.

The parties have signed a long-term lease agreement for a fixed period of 10 years. The estimation of the required budget amounts to € 19.5 million and will probably be financed with equity (contribution in kind).

Montea "Space for Growth" - site at MG Park De Hulst

[42] For more information, please see our press release of 03/04/2015 or visit www.montea.com.
[43] For more information, please see our press release of 26/06/2014 or visit www.montea.com.
[44] For more information, please see our press release of 17/09/2015 or visit www.montea.com.

17th September 2015 – Expansion of the existing DSV facility at the Port of Ghent by approximately 21,000 m² of additional logistics space[45]

At the request of DSV Solutions, Montea will expand the existing warehouse by approximately 21,000 m². The required permits have been obtained and handover of this extension is scheduled for the second quarter of 2016.

Montea "Space for Growth" - site at Port of Ghent – DSV (BE)

To build this extension, Montea obtained an extension of the existing concession from the Port Authority for a period of 30 years. The estimation of the required budget amounts to € 7.5 million and will be financed with bank debt.

17th September 2015 – Start of built-to-suit project already announced for DHL at Brucargo in Zaventem[46]

In February 2015[47], MG Real Estate and Montea announced the signing of a partnership agreement with Brussels Airport Company to develop a new hub for DHL comprising 31,500 m² of warehousing and 5,000 m² of offices on the cargo side of Brussels Airport. The building will be located at the entrance to Brucargo, which is the logistics hotspot at Brussels Airport for cargo handling. **The new** build-to-suit project is expected to be operational in the third quarter of 2016. The estimation of the required budget amounts to € 26.0 million and will probably be financed with equity (contribution in kind).

Montea "Space for Growth" - new DHL Hub Brucargo – Zaventem (BE)

45 For more information, please see our press release of 17/09/2015 or visit www.montea.com.
46 For more information, please see our press release of 17/09/2015 or visit www.montea.com.
47 For more information, please see our press release of 12/02/2015 or visit www.montea.com.

➢ 17 September 2016 – Partnership agreement with Focus Invest for the development of “Kampershoek-Noord” industrial estate on land of 160,000 m² at Weert (NL)[48]

Montea and Focus Invest have embarked on a partnership for the joint development of the “Kampershoek-Noord” logistics industrial estate. The development is on land of 160,000 m² alongside the A2 in Weert, near Eindhoven and is also well located in relation to Belgium and Germany. This new industrial land is divided across various plots on which a variety of developments are possible. It lends itself well to the establishment of logistics providers and distribution companies.

The growing interest from the market for this logistics hotspot prompted Montea and Focus Invest to join forces to develop a logistics park that will be sustainable, modern and of high quality.

➢ 25/11/2015 – Aalsmeer site, start of built-to-suit project for Bakkersland[49]

Montea has purchased a 60,000 m² plot of land from Greenpark Aalsmeer (Schiphol Area Development Company) where Montea has begun the development of a 40,000 m² building, 30,000 m² of which has already been pre-leased to Bakkersland. Bakkersland has signed a 20-year fixed-term lease for the property and will fit out the building to be one of the largest bakeries in Europe. Montea is developing this project as part of a smart partnership with the tenant within the contours of a multipurpose logistics building. The required budget is estimated at € 32 million and will be financed with bank funding.

Montea “Space for Growth - Site at Aalsmeer (NL)

Green Park Aalsmeer is ideally located along the new N201 arterial road, with its own exit, just 5 minutes from Schiphol and 15 minutes from Amsterdam. Montea is in contact with various potential tenants for the remaining 10,000 m² warehouse with offices. Handover of the new building is scheduled for October 2016.

---

48 For more information, please see our press release of 17/09/2015 or visit www.montea.com.

49 For more information, please see our press release of 25/11/2015 or visit www.montea.com.

4.3.3 Divestment activity in 2015

The following divestments were implemented during 2015:

- **31st March 2015 – Sale of site at Meer (BE) to Smart Packaging Solutions NV (VPK)**

Montea sold the site in Europalaan, Meer, to the current tenant, Smart Packaging Solutions. The site comprises a warehouse of 9,250 m² and 460 m² of offices. This transaction represents € 3.78 million and is in line with the fair value.

4.3.4 Lease activity in 2015

2015 saw the following lease activity:

- **20th May 2015 – Signing of long-term lease agreement with Minigrip Belgium NV in Erembodegem (BE)[50]**

Montea and Minigrip Belgium NV have signed a long-term lease for a fixed term of 15 years at the site in Erembodegem. The lease pertains to ± 4,600 m² storage space and ± 520 m² office space.

Minigrip Belgium NV is currently established at two different locations (in the Gent region and Brussels) and was looking for a centrally located building where the two establishments could be brought under one roof. Minigrip Belgium NV produces and distributes re-sealable packaging (www.minigrip.be).

The storage space, which will be rented by Minigrip Belgium NV, had previously been let to Movianto, which will move to a new, state-of-the-art facility which Montea is currently erecting at the Zuid IV industrial estate in Erembodegem[51].

- **Signing of 5 new lease agreements at existing sites in France**

  - the site in Marennes is fully leased to XPO for a period of 6 years, with a first break after 3 years; the agreement is for 19,965 m² of warehousing and 524 m² of office space.
  - the site in Alfortville is leased to
    a. Edokial for a period of 9 years, with a first break after 3 years; the agreement is for 333 m² of warehousing;
    b. Soldis for a period of 9 years, with a first break after 3 years; the agreement is for 660 m² of warehousing;
    c. Star Services for a period of 9 years, with a first break after 3 years; the agreement is for 1,002 m² of warehousing;
  - the site in Le Mesnil Amelot is fully leased to Vog'Air for a period of 9 years, with a first break after 3 years; the agreement is for 535 m² of warehousing and 162 m² of office space.

[50] For more information, please see our press release of 20/05/2015 or visit www.montea.com.
[51] For more information, please see our press release of 3/04/2015 or visit www.montea.com.

- **Occupancy rate of 96.0%[52] – Average lease term of 6.8 years (until next break)**

Om 31/12/2015 the occupancy rate was 96.0%.

Total vacancies were 26,719 m². This was mainly for the site in Herentals (14,600 m²) and the site in Savigny-le-Temple (7,446 m²).

As a result of its new investments including leases with an average long fixed term of more than 10 years and the new leases mentioned above, Montea reached its target in 2015 of achieving an average lease term of more than 6 years until the expiry date. At the end of 2015, the average lease term until its first break was 6.8 years.

4.3.5 Further strengthening and diversification of the financing structure

- **4th June 2015 – (Indirect) contribution of the Apeldoorn site in the Netherlands and strengthening of equity capital[53]**

Montea acquired a recent cross-dock building in Apeldoorn from WGA Versteijnen Investments Transport B.V., Tilburg. The acquisition was via an (indirect) contribution in kind and payment through the issue of new Montea shares. The new shares were issued on completion of a capital increase, within the framework of authorised capital[54], through a decision taken by Montea's statutory manager. The transaction resulted in a strengthening of Montea's equity capital of € 7,483,893.89, of which € 4,363,580.10 was allocated to capital and € 3,120,313.79 to issue premiums.

The contributing party was paid with 214,110 new Montea shares totalling € 7,483,893.89. The issue price for the new shares used in this transaction was € 34.9535 per share. The 214,110 new Montea shares issued are ordinary shares, with the same rights as the existing shares.

Previously, Mr Dirk De Pauw had also sold the same amount of shares at the same price per share to Patronale Life NV.

After the capital increase, WGA Versteijnen Investments Transport B.V. sold the newly created shares at the same price per share to Mr Dirk De Pauw who, in so doing, held the same number of shares at the end of the day in the capital of Montea as before the sale of his shares to Patronale Life NV.

- **12th June 2015 – Implementation of the optional dividend[55]**

To support the further growth of Montea, the statutory manager offered the shareholders the possibility, for the second time, to take an optional dividend. In total, 66.2% of the nº 13 coupons (representing the dividend from 1st January 2014 to 23rd June 2014) and 75.6% of the nº 14 coupons (representing the dividend from 24th June 2014 to 31st December 2014) were surrendered in exchange for new shares.

---

52 The occupancy rate is based on the number of m². In calculating this occupancy rate, the non-leasable m² intended for redevelopment and the land bank have not been included in either the denominator or the numerator.

53 For more information, please see our press release of 4/06/2015 or visit www.montea.com.

54 Through the contribution in kind into Montea of the vendor's claim on Montea's Heerenberg NV, which came into being as part of the sale of the Apeldoorn site in the Netherlands to Montea's Heerenberg NV.

55 For more information, please see our press release of 12/06/2015 or visit www.montea.com.

As a result, on 12th June 2015, 243,213 new shares were issued, at an issue price of € 33.2210, for a total issue amount of € 8,079,777.33 (€ 4,956,680.94 in capital and € 3,123,096.39 in issue premiums), within the framework of authorised capital.

Since 12th June 2015, Montea's share capital has been represented by 9,211,701 shares. Those dividend rights not surrendered, were paid in cash, as well as the cash component for those shareholders subscribing to new shares (this cash component was € 0.44 for every 44 nº 13 coupons surrendered and € 0.27 for every 47 nº 14 coupons surrendered). The total net amount paid out was € 3,392,474.66.

- **26th June 2015 – Successful private placement of bond loans totalling € 50 million**[56]

To support the further growth of Montea, the statutory manager decided to issue two bond loans totalling € 50 million. Both bond loans were targeted at institutional investors and were placed via a private placement.

For the first bond loan, Montea placed € 25 million of bonds with a face value of € 100,000, a term of 12 years and a variable interest rate at EURIBOR 3 months + 205 basis points. For the second bond loan, Montea placed € 25 million of bonds with a face value of € 100,000, a term of 10 years and a fixed interest rate of 3.42%.

- **Further optimisation of the debt structure**

Through the issue of the 2 new bond loans, totalling € 50 million (see above), the finalisation of the refinancing of the lines of credit in 2015 and the extension of the existing lines of credit, the average term of Montea's finance vehicles is now more than 5 years.

The existing hedging instruments were also restructured, taking the average term for the hedges to more than 5 years.

As a result of this further optimisation, the finance charges were 3.47% at 31/12/2015, taking account of a hedging percentage of 82.0%[57].

4.3.6 Proposal to pay a gross dividend of € 2.03 per share

Based on the net operating result (excl. IAS 39) of € 21.10 million, the Board of Directors of Montea's statutory manager will propose a gross dividend of € 2.03 gross per share (€ 1.4819 net per share), which represents a payout percentage of 88.6% in relation to the net operating result. This means a 3% increase in the gross dividend per share, compared with 2014 (€ 1.97 gross per share), despite the increase in the number of shares entitled to a dividend (up from 8,754,378 shares to 9,211,701 shares) as the result of the contribution in kind and the optional dividend in 2015.

---

[56] For more information, please see our press release of 26/6/2015 or visit www.montea.com.
[57] This hedging percentage takes account of the existing hedging instruments, the 4 existing bond loans and the lease debts.

4.3.7 Other events during the year 2015

- **20th May 2015 – Montea became the first Belgian property investors to be awarded the Lean & Green star**

On 8th May 2015 Montea became the first Belgian property investor to be awarded the Lean & Green Star in recognition of its effective 26% reduction in the CO2 emissions from its Belgian portfolio. The Lean & Green Star certificate was presented officially to the company on 16th June 2015.

By obtaining this additional independent recognition, Montea is able to pass on its sustainability goals to its partners (contractors, architects, suppliers, etc.), as well as to its tenants.

- **27th May 2015 – Appointment of Hylcke Okkinga as Director Netherlands**

Montea demonstrated its intention to strengthen its local presence by appointing a director in the Netherlands. Hylcke Okkinga has been Director Netherlands since 1st June 2015. With his many years of affinity with the Dutch logistics property market, Hylcke Okkinga is well placed to develop Montea's Dutch property portfolio further.

Hylcke Okkinga worked at Cushman & Wakefield from 2002, where he was extensively involved in the Capital Markets Logistics department. At the beginning of 2010, he set up a new office for C&W in Rotterdam.

- **27th May 2015 – Montea opened its own office in Tilburg**

Hylcke Okkinga develops the Dutch side of the business from a new office in Tilburg. The office is located in the EnTrada office complex at 1c Ellen Pankhurststraat in Tilburg and has been operating since 15th June 2015.

4.3.8 Net operating result[58] was € 21.10 million (€ 2.29 per share), a rise of 38.2% on a recurrent basis compared with the same period last year

Montea's net operating result was € 21.10 million (€ 2.29 per share) during 2015, compared with € 15.27 million for the same period last year (€ 1.97 per share), an increase of 38.2%.

This increase of € 5.83 million was due mainly to:

- the increase in the operating result before the result on the property portfolio of € 6.62 million (+29.0%):

[58] Net profit excluding profit on the property portfolio (code 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).

- o the net rental result rose by € 7.47 million (+27.9%), due mainly to the full annual income from the investments made in the previous financial year and the income from the new investments made in the 2015 financial year. Taking account of the company's general overheads, the operating margin was 85.8%, an increase of 0.9% compared with 2014.
- the small increase in the net negative financial result of € 0.79 million (+10.9%):
  - o the average financial debt[59] rose by 29.2% (€ 66.5 million), while the net negative financial result rose by 10.9%. As a result, the average financial burden fell to 3.07%;
  - o at the end of the financial year, the financial burden was 3.47%[60].

4.4 Synthesis of the financial results

4.4.1 Shortened consolidated summary of results before profit distribution as of 31 December 2015 (in thousands of euro) [61]

MONTEA SPACE FOR GROWTH — ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (K EUR) Analytical	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
CURRENT RESULT			
NET RENTAL RESULT	**34.290**	**26.819**	**23.659**
PROPERTY RESULT	**34.864**	**27.334**	**24.010**
% compared to net rental result	**101,7%**	**101,9%**	**101,5%**
TOTAL PROPERTY CHARGES	**-1.332**	**-1.183**	**-708**
PROPERTY OPERATING RESULT	**33.532**	**26.151**	**23.302**
General corporate expenses	-4.037	-3.339	-3.573
Other operating income and expenses	-58	9	163
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	**29.437**	**22.821**	**19.892**
% compared to net rental result	**85,8%**	**85,1%**	**84,1%**
FINANCIAL RESULT	**-8.016**	**-7.226**	**-6.206**
PRE-TAX NET CURRENT RESULT (*)	**21.421**	**15.595**	**13.687**
Taxes	-324	-324	-193
NET CURRENT RESULT	**21.097**	**15.271**	**13.494**
per share	**2,29**	**1,97**	**2,05**
NON-CURRENT RESULT			
Result on disposals of investment properties	5	176	1.107
Result on disposals of other non-financial assets	0	0	0
Changes in fair value of investment properties	2.470	1.457	-4.130
Other portfolio result	0	0	0
PORTFOLIO RESULT	**2.475**	**1.632**	**-3.022**
Changes in fair value of financial assets and liabilities	438	-10.796	5.497
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**438**	**-10.796**	**5.497**
NET RESULT	**24.010**	**6.107**	**15.969**
per share	**2,61**	**0,78**	**2,42**

59 The average financial debt burden is determined by the average of all Montea's financial debts, including its lines of credit, the bond loan and the lease debts. The average financial debt burden excludes the negative value of the hedging instruments. The average financial cost is the total financial cash cost (excluding variations in the hedging instruments) in relation to this average financial debt.

60 This relates to the financial cost at the end of the 2015 financial year, taking account of the financial debt burden position (bond loans, lines of credit, hedging instruments and lease debts) at the end of the financial year and including the interest rates in effect at the time.

61 This abbreviated form of the consolidated profit-and-loss account takes account of shares fully entitled to share in the result of the 2015 financial year.

- ✓ **The net rental result was € 34.29 million (+27.9%) – Rise in the operating profit before profit on the property portfolio (+29.0%)**

  The **net rental result** was € 34.29 million, which was an increase of 27.9% compared with the same period in 2014 (€ 26.8 million). This rise of € 7.47 million was attributable to:

  - An increase of € 7.5 million in rental income, largely determined by:
    - The full-year impact of the rental income from investments made in 2014, mainly from 2 sites at Park De Hulst (leased to Dachser and Neovia) and 1 site at Brucargo (leased to Nippon Express) in Belgium and 3 sites in the Netherlands (Waddinxveen - leased to Delta Wines, Oss - leased to Vos Logistics, and Beuningnen - leased to Depa Disposables);
    - the rental income from the new investments made in 2015, mainly from the acquisition of 1 site in France (Lyon - leased to Cofriset), the acquisition of 3 sites in the Netherlands (Apeldoorn - leased to HSL, Tilburg - leased to Versteijnen Group, and ’s Heerenberg - leased to JCL Logistics) and the handover of the project in Heerlen (leased to Doc Morris);
    - the one-off income of € 1.5 million resulting from the termination of the lease with Neovia Logistics;

- An increase of € 0.1 million in rent-related charges, due mainly to the costs for additional building and concession payments.

The **operating profit before the result on the property portfolio** rose from € 22.82 million last year to € 29.44 million at 31/12/2015. This increase of € 6.62 million (or 29.0%) in the operating profit before the profit on the property portfolio is the result of:

- the increase in the net rental result of € 7.47 million (see above);

- the smaller rise in the property result in addition to the increase in the net rental result (impact of € 0.2 million), due mainly to the positive impact resulting from the more limited non-passing on of a number of costs (as a result of the higher average occupancy rate) and also the higher income from property management fees and the recovery of property tax at vacant sites;

- the 0.85 million increase in property costs, the company’s general overheads and other operating revenue and costs, generated mainly by (i) one-off income from last year, (ii) higher general consultancy charges, (iii) and the strengthening of the operating team in Belgium, the Netherlands and France.

The **operating margin**[62] was 85.8% for the full year 2015, 0.9% higher than last year.

The purchases made in 2015 will put Montea on the road to further increasing its operating margin of 85% in 2016.

[62] The operating profit before the profit on the property portfolio compared with net rental result.

➢ **The financial result (excl. the value of the hedging instruments) was € -8.02 million, which was an increase of 10.9% compared with the same period last year. It was very much determined by the higher average financial debt**

The **financial result** (excl. the value of the hedging instruments) at 31/12/2015 was € 8.02 million, which was an increase of 10.9% compared with the same period last year (€ -7.23 million). The average debt burden rose by € 66.5 million (+29.2%). By contrast, there was a fall in average financial charges to 3.07%[63] for the 2015 financial year.

The fall in financial charges is the result of the decline in the average hedging percentage of the bank debt, the further fall in short-term interest rates, lower banking margins on new debt and debt to be refinanced, offset by the higher interest resulting from the 2 new bond loans.

- On 31/12/2015, Montea's total bank debt (bilateral credit lines) was € 183 million with 5 Belgian banks. Montea has opted for a responsible policy in which 82%[64] of the total financial debt with a variable interest rate is hedged by IRS-type (Interest Rate Swap) interest rate hedging contracts.

✓ **The result on the property portfolio was € 2.48 million**

The **result on the property portfolio** was € 2.48 million at 31/12/2015. This positive result is attributable to a net positive variation in the fair value of the property portfolio as a result of the fall in investment yields from 7.49% to 7.20% as of 31st December 2015.

With the valuation of the solar panels, any gains are stated in a separate component in equity capital. Losses are also stated in this component, unless they are realised or unless the fair value falls below the original investment cost.

✓ **The small positive profit on the hedging instruments was € 0.44 million**

The **result on the hedging instruments** amounts to € 0.44 million on 31/12/2015. This positive result is due to the limited increase of the long-term interest rates in the course of 2015.

➢ **The net result was € 24.01 million, which was an increase of € 17.90 million compared with last year, affected significantly by the positive variation in the value of interest rate hedging instruments**

The **net result** at 31/12/2015 was € 24.01 million (€ 2.61 per share) compared with € 6.11 million for the same period in 2014. The variation in this net result (€ +17.90 million) was affected significantly by the positive variation in the value of the hedging instruments (€ +11.23 million) and to a lesser extent by the positive change in the fair value of the property portfolio (€ 0.84 million). These latter variations are not cash revenue/costs and have no impact whatsoever on the net operating result.

[63] This financial cost is an average over the whole year, including the lease debts in France, the Netherlands and Belgium, and was calculated based on the total financial cost compared with the average of the start balance and end balance of the financial debt burden for 2015, excluding the value of the hedging instruments.

[64] When the 2 outstanding bond loans (with fixed interest rate) and lease debts are taken into account, the hedging percentage was 67%.

➢ **Net operating result of € 2.29 per share**

The **net operating result** at 31/12/2015 was € 21.10 million, an increase of 38.2% compared with the same period last year.

Based on the result available to be paid out, Montea will propose a gross dividend of € 2.03 per share to the general meeting of shareholders. This means an increase of 3.0% in the gross dividend per share compared with 2014, despite the dilution resulting from the optional dividend and the capital increase (by contribution in kind) implemented in 2015.

4.4.2 Shortened consolidated balance sheet as of 31 December 2015

CONSOLIDATED BALANCE SHEET (EUR)	31/12/2015 Conso	31/12/2014 Conso	31/12/2013 Conso
NON-CURRENT ASSETS	517.685.997	421.821.417	320.347.115
CURRENT ASSETS	31.999.167	32.046.053	19.450.170
TOTAL ASSETS	**549.685.164**	**453.867.470**	**339.797.286**
SHAREHOLDERS' EQUITY	208.256.437	183.438.085	138.966.518
Shareholders' equity attributable to shareholders of the parent company	208.156.528	183.338.176	138.868.511
Minority interests	99.909	99.909	98.007
LIABILITIES	341.428.727	270.429.385	200.830.768
Non-current liabilities	291.353.554	202.019.311	158.798.489
Current liabilities	50.075.173	68.410.074	42.032.279
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**549.685.164**	**453.867.470**	**339.797.286**

➢ At 31/12/2015, **total assets** (€ 549.7 million) consisted of investment property (87.5% of the total), current property developments (4.7%) and the solar panels (1.9% of the total). The remaining amount of the assets (6.0% of the total) consisted of intangible, other tangible and financial non-current assets and current assets, including cash investments, trading and tax receivables.

➢ **Total liabilities** consisted of equity capital of € 208.3 million and total liabilities of € 341.4 million.

The total liabilities of € 341.4 million consisted of:

- drawndown lines of credit totalling € 183 million (53.6%);
- the issue of four bond loans (spread across 2013, 2014 and 2 new bond loans in 2015) to the value of € 109.1 million (32.0%) with maturities in respectively 2020, 2021, 2025 and 2027;
- lease debts still to be settled in the amount of € 1.60 million (0.5%);
- the combined negative value of the hedging instruments at € 24.2 million (7.1%);
- a total amount of € 23.5 million in trading debts, other debts and accruals. Accruals (€ 10.7 million) constitute the largest item and include the pre-invoiced rental income for 2016.

↳ Montea currently has contracted lines of credit with five Belgian financial institutions, totalling € 205 million, of which € 183 million is drawn down (i.e. 89.3%).

During 2015, Montea proceeded with the issue of 2 additional bond loans, each of € 25 million, partly to refinance the existing lines of credit that were coming to maturity. These 2 new bond loans are made up of one loan with a variable EURIBOR 3 months +205 bps interest rate and one with a fixed interest rate of 3.42%. The term of these bond loans is until 2025 and 2027.

In 2016 € 26.7 million of credit lines fall due. In the course of the first quarter of 2016 € 10 million have already been refinanced.

- Montea's **debt ratio**[65] was 55.77%. The variation in the debt ratio compared with 31/12/2014 (52.10%) is due mainly to financing the new investments in France and the Netherlands, using bank debt and the new bond loans, as well as the financing of the current build-to-suit projects in Belgium and the Netherlands. This was partly offset by the capital increase through the contribution in kind (to finance the site in Apeldoorn) and the optional dividend.

  - Montea also complies with all covenants with regard to its debt ratio entered into with its financial institutions, based on which Montea may not have a debt ratio in excess of 60%.

- The **net asset value** at 31/12/2015 was € 22.60 per share, but this was affected significantly by the negative variation in the fair value of the hedging instruments. If the net negative variation in the fair value of the hedging instruments (IAS 39) is excluded, the net asset value would be € 25.22 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 company wants to guarantee that its various funds are available for the longest possible period of time. Additionally, the company aims to secure financing with a variable interest rate, 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.

[65] Calculated in accordance with the RD of 13th July 2014 in relation to regulated property companies.

At 31/12/2015, the main characteristics of Montea's financial structure were:

- total financial debt of € 294.7 million, consisting of € 183 million in bilateral lines of credit and € 1.6 million of leasing debts and € 109 million in outstanding bond loans and € 1.1 million in other financial debts;
- a debt ratio of 55.77%[66];
- a weighted average term for the financial debt of 5.3 years;
- a policy of hedging against the possible interest rate risk has the effect of limiting sudden major rises in short-term interest rates;
- an average financing cost on the total financial debt in 2015 (margin and hedging costs included) of 3.47[67];
- an interest coverage ratio[68] of 3.51 (compared with 3.08 in 2014 and 3.21 in 2013).

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 (excl. bank guarantees) is € 294.7 million (€ 267.2 million long term and € 27.5 million short term) and consists of:

- total drawn-down lines of credit of € 183 million. As of 31/12/2015, Montea had total confirmed bilateral lines of credit of € 205 million with 5 Belgian financial institutions, of which 89.3% is drawn down. At 31/12/2015, the weighted average term of these lines of credit was 4.3 years.

  In 2016, a total of € 16.7 million will be refinanced. In 2017, a total of € 30 million will be refinanced.

- total leasing debts of € 1.6 million. This total corresponds with reimbursement of the financial debts for the site at Milmort and the site at Luik.

- a total amount of € 109 million relating to the outstanding bond loans. In the context of the further diversification of finance, in 2015 Montea proceeded to the issue of a third and a fourth bond loan, with a face value each of € 25 million. The first of these bond loans has a term of twelve years, with a maturity date of 30/06/2027 and a variable interest rate of EURIBOR 3 months +205 basis points. The other bond loan has a term of 10 years, with a maturity date of 30/06/2025 and a fixed interest rate of 3.42%.

- a total of € 1.1 million in guarantees deposited and other financial debts.

---

66 The debt ratio is calculated in accordance with article 24 of the RD of 13th July 2014 relative to regulated real estate companies and may not be more than 65%.

67 This financing cost is the annual runrate, based on the total lines of credit drawn down on 31/12/2015, the hedging instruments in place on 31/12/2015 and the short-term interest rate (Euribor 3 months) on 31/12/2015.

68 The interest coverage ratio is calculated by adding the operating result before the result on the portfolio with the financial income, divided by the net interest costs.

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 31/12/2015, 82% of the financial debt with a variable interest was covered by IRS-type hedging instruments. Montea aims to hedge between 70% and 80% of its financial debts with variable interest rates for a term of 3 to 10 years.

At 31/12/2015, the Company had a total of € 155 million in IRS-type hedging contracts, all of which is € 5 million is not yet drawn down.

Note 17 provides an overview of the hedging instruments in place.

4.5.4 Financial plan (Art. 24 of the Royal Decree of 13/07/2014)

4.5.4.1 General

If the consolidated debt ratio of the public RREC and its subsidiaries amounts to more than 50% of its consolidated assets, less the authorised financial hedging instruments, the public RREC is required to draw up a financial plan with an implementation schedule, setting out the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of the consolidated assets.

A special report will be drawn up by the auditor about the financial plan, confirming that the auditor has verified the drafting of the plan, in particular its economic base, and that the figures contained in the plan correspond with those in the accounting records of the public RREC.

The financial plan and the special report from the auditor will be submitted to the FSMA for information.

The general guidelines of the financial plan are included in detail in the annual and half-yearly financial reports. The annual and half-yearly financial reports will set out and justify (a) how the financial plan was implemented during the course of the relevant period, and (b) how the public RREC will implement the plan in the future.

4.5.4.2 Abbreviated form of the consolidated balance sheet at 31/12/2015

Based on the figures at 31/12/2015, the consolidated debt ratio of the RREC was 55.8%. For more information about the abbreviated form of the consolidated balance sheet at 31/12/2015, please see point 4.4.2 in this annual report.

4.5.4.3 Changes to the debt ratio of the regulated real estate company

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 € 21.1 million was conducted to fund the project at Brucargo for DHL Global Forwarding. This pushed the debt ratio back down to 50.80% in the first trimester of 2013.

Due collectively to the dividend payment, the acquisition of the shares in Cordeel Evenstuk NV (which owns the property leased to DSV Solutions), the acquisition of the shares in Acer Parc NV (which owns the build-to-suit property leased to St-Jude Medical), the first investment in the Netherlands (fully financed with debt) and the acquisition of the shares in Ghent Logistics NV (financed by the issue of Montea shares), the debt ratio rose back to 52.82% at 31/12/2013.

A capital increase was implemented in the first half of 2014 to anticipate the planned acquisitions and investments in the second half of 2014. This involved the redevelopment at the sites in Grimbergen and Vorst, 3 build-to-suit projects in Belgium (2 at De Hulst in Willebroek and 1 at Brucargo) and 1 build-to-suit project in the Netherlands (Oss) and 2 sale-and-lease back transactions (Beuningen and Waddinxveen).

In the first half of 2015 a contribution in kind was decided on (for the acquisition in Apeldoorn) and an optional dividend to lower the debt ratio in mid-2015 after the acquisitions in ’s Heerenberg (NL) and Cofriset (FR) and the finalisation of the build-to-suit project in Heerlen (NL).

In the second half of 2015 Montea proceeded with the acquisition of the property in Tilburg (leased to Groep Versteijnen), which was fully financed with debt. A number of build-to-suit projects were also begun (Movianto in Erembodegem, CdS in Vorst and Bakkersland in Schiphol), with the ongoing works financed fully with debt.

As a result of the above, the debt ratio at 31/12/2015 was 55.77%.
The debt ratio at Montea has never reached alarming proportions, including during the periods of financial crisis occurring from the end of 2008.

4.5.4.4 Montea’s investment potential in the future

The debt ratio is currently at 55.77%. Based on this ratio, the investment potential would reach almost € 145 million[69] (a rise of almost 28.6%) without exceeding the maximum debt ratio level of 65% (see table below).

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 € 58 million (see table below).

The calculations above do not take account of any potential 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 approximately € 78 million would the maximum debt ratio allowed of 65% be exceeded. This would correspond with a fall in the existing portfolio of almost 15.4%.

Since it was established, Montea has absorbed a total negative variation in the value of its property portfolio of € 28.8 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.

[69] This calculation does not take account of the variations in the fair value of the property investments, or of any variations in accruals, provisions for risks and deferred taxes on the liabilities and any future net operating results.

4.5.4.5 Movements in the debt ratio forecast in 2016

The table below indicates movements in the debt ratio up to and including 31/12/2016.

in euro	31/12/2015	31/03/2016	30/06/2016	30/09/2016	31/12/2016
Investment properties	506.933.861	555.684.861	563.934.861	592.534.861	597.284.861
Other assets	37.820.961	37.820.961	37.820.961	37.820.961	37.820.961
Cash and cash equivalents	4.930.343	11.505.256	8.185.818	15.074.041	22.370.743
TOTAL ASSETS	**549.685.164**	**605.011.078**	**609.941.640**	**645.429.863**	**657.476.564**
TOTAL SHAREHOLDERS' EQUITY	**208.256.437**	**233.064.016**	**228.477.244**	**264.098.132**	**270.127.499**
LIABILITIES	**341.428.727**	**371.947.061**	**381.464.396**	**381.331.731**	**387.349.065**
Non-current liabilities	**291.353.554**	**320.604.554**	**328.854.554**	**327.454.554**	**332.204.554**
Provisions	-	-	-	-	-
Other non-current financial debts	24.188.196	24.188.196	24.188.196	24.188.196	24.188.196
Deferred taxes - liabilities	-	-	-	-	-
Other non-current liabilities	267.165.358	296.416.358	304.666.358	303.266.358	308.016.358
Current liabilities	**50.075.173**	**51.342.507**	**52.609.842**	**53.877.177**	**55.144.511**
Provisions	-	-	-	-	-
Other current financial liabilities	-	-	-	-	-
Accrued charges and deferred income	10.676.882	10.676.882	10.676.882	10.676.882	10.676.882
Other current liabilities	39.398.291	40.665.626	41.932.960	43.200.295	44.467.630
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**549.685.164**	**605.011.078**	**609.941.640**	**645.429.863**	**657.476.564**
Debt ratio	**55,77%**	**55,72%**	**56,82%**	**53,68%**	**53,61%**

These changes in the debt ratio are based on:

- a debt ratio of 55.77% at 31/12/2015;

- For the debt ratio of 56.82% at 30/06/2016:
  - the implementation of the current investment programme regarding 2 build-to-suit projects, fully funded with debt (+/- € 16.5 million) and the acquisition of 2 sites in the first half of 2016 (+/- € 21 million);
  - the acquisition of 1 site in the first half of 2016 (+/- € 19.5 million) through a contribution in kind;
  - the planned profit expectation for the first half of 2016, taking account of any vacancy and also taking account of the additional income from the investment programme;
  - proposed dividend payment of € 2.03 per share, in which 70% of the shareholders will opt for the optional dividend (same success rate as last year).
  - further investments in the existing property portfolio which will generate no direct added value to the fair value of the property portfolio.

- For the debt ratio of 53.61% at 31/12/2016:
  - the implementation of the current investment programme regarding 2 build-to-suit projects, fully financed with debt (+/- € 9.5 million);
  - the acquisition of 1 site in the second half of 2016 (+/- € 30 million) through a contribution in kind;
  - the planned profit expectation for the second half of 2016, taking account of any vacancy and also taking account of the additional income from the investment programme;
  - implementation of the current divestment programme (+/- € 6.2 million)
  - further investments in the existing property portfolio which will generate no direct added value to the fair value of the property portfolio.

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 some banks).

The debt ratio of 55% is entirely justified given the nature of the property in which Montea invests, i.e. logistics property with an average net yield of about 7%. 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.

4.6 Conclusions for the financial year 2015

For Montea, financially, 2015 was mainly characterized by generally good operating results:

- the net current result increases by 38.2% compared to the same period last year;
- the net current result per share (excl. IAS 39) amounts to € 2.29 per share compared to € 1.97 per share for the same period last year;
- an operating margin of 85.9%.

4.7 Appropriation of profit

Based on the results of 31 December 2015, the Board of Directors of Montea Management NV proposes to the General Meeting of Shareholders of May, 17th 2016 paying out a gross dividend of € 2.03 per share. This corresponds with a net dividend of € 1.4819 per share.

4.8 Important post balance sheet date events[70]

➢ 18/02/2016 – Acquisition of a 17,135 m² logistics building in Eindhoven (NL)

Montea has finalized the acquisition of a distribution centre in Eindhoven - Acht on a 36,200 m² plot. The building contains 16,700 m² of warehousing and 435 m² of office space. In view of the building's good location and flexible layout into 4 units, this distribution centre is extremely well suited for purposes such as complex distribution requirements and e-commerce.

The building will be leased with a triple net lease for a fixed term of 15 years. This transaction represents an investment of approximately € 18 million and a net initial yield of 6.6% and is in line with the valuation of the property expert.

[70] For more information, please see our press release of 18/02/2016 or visit www.montea.com.

➢ 18/02/2016 - Montea develops innovative logistics zone at Blue Gate, Antwerp

The City of Antwerp, ParticipatieMaatschappij Vlaanderen (PMV) and Waterwegen en Zeekanaal (W&Z) have selected Blue O'pen as a partner for the remediation and redevelopment of Petroleum Zuid in Antwerp (ca. 63 hectares). Blue O'pen is a consortium of DEME and Bopro. For the development of and investment in the 6.5 hectare logistics zone at Blue Gate, the consortium opted for an exclusive partnership with Montea.

Peter Demuynck, Montea CCO: We are always looking for innovative solutions for the logistics sector. In the second half of 2017, we will start to develop a CO_2 neutral logistics park at this unique location, at the edge of the city and the water, with special focus on the innovative logistics trends and urban distribution. The total development will represent an estimated investment value of € 26 million upon completion.

Montea «Space for Growth» - Artist Impression Blue Gate, Antwerpen

➢ 18/02/2016 – Acquisition of 46,000 m² of land to develop a built-to-suit project in Bornem (BE)

Montea acquired a 4.6-hectare plot of land in Bornem from Beherman Invest NV **(part of Beherman Group)**. The site is strategically located in the "golden triangle" between Brussels/Antwerp/Ghent, in the immediate vicinity of the A12/E17 motorways. The existing building will be demolished and the site totally redeveloped. Montea has already begun marketing the site for a built-to-suit logistics building development of +/- 26,000 m². This acquisition was financed with bank debt.

Montea "Space for Growth" - Site at Bornem – Built-to-suit (BE)

This transaction represents an investment value of € 4.6 million.

➢ 18/02/2016 – Signing of two new lease agreements (BE)

The Bornem site (2-24 Industrielaan), which has a total floor area of 14,343 m², is now fully leased. Montea and the Belgian Buildings Agency have signed a 9-year lease. The agreement extends to 8,760 m² of warehousing, 590 m² of office space and 37 parking spaces. The Belgian Buildings Agency will use the site to store goods that have been seized. The transaction was brokered by Hugo Ceusters NV.


Montea «Space for Growth» - Site Bornem (BE)

The remaining available space of 1,206 m² is leased to Beherman Motors NV (part of the Beherman Group) for a term of 9 years, with the first break after 3 years. Beherman Group (www.behermangroup.com) is the official Mitsubishi importer for Belgium and Luxembourg and will use the site for workshops and warehousing.

Together, these two transactions represent an annual rental income of approximately € 0.45 million.

➢ 18/02/2016 – Handover of build-to-suit building for Movianto in Erembodegem (BE)[71]

In June 2015 Montea began the development of an additional distribution centre for Movianto at Industriezone Zuid IV in Erembodegem. The 15,900 m² state-of-the-art logistics distribution centre, with GDP-compliant (2,900 m²) cross-docking spaces (+2+8°C and +15°C+25°C) and adjoining offices was handed over on schedule in January 2016. The building will be leased for a fixed period of 9 years, with the starting rent amounting to approximately € 1 million per year.

[71] For more information, please see our press release of 26/06/2015 or visit www.montea.com.

Montea "Space for Growth" - Site at Erembodegem, Waterkeringsstraat (BE)

- **Handover of built-to-suit building for CdS in Vorst (BE)**[72]

As part of the redevelopment plan for the site in Vorst, Montea began work in April 2015 on the development of a second sustainable built-to-suit project for CdS in Vorst. The 10,500 m² distribution centre was handed over on schedule on 15/02/2016. The building will be leased for a fixed term of 15 years, with an initial rent of approximately € 0.5 million per year.

Montea "Space for Growth" - Site at Vorst - CdS (BE)

- **23/03/2016 – Montea finalizes a successful capital increase of € 9,114,605 throught the issue of 447,231 new shares as remuneration for a contribution in kind**[73]

Montea announced in its press release of September 17, 2015 the partnership agreement with MG Real Estate (De Paepe Group) for the development of a logistics complex for an American multinational at MG Park De Hulst in Willebroek. This development stands on a land of about 48,000 m² and consists of 27,100 m² warehouses, 800 m² offices and 1,100 m² mezzanine. It is owned by the real estate companies Nyssa NV and Robinia One NV.

Montea announces the acquisition of the above mentionned land and logistics building through the contribution in kind of 100% of the shares of the two aforementioned companies.

The contribution in kind was composed of a mixed remuneration: a renumeration in cash and a remuneration in new Montea shares.

---

72 For more information, please see our press release of 03/04/2015 or visit www.montea.com.

73 For more information, please see our press release of 23/03/2016 or visit www.montea.com.

The new Montea shares were issued as a result of a capital increase under the authorized capital[74], through decision of the statutory manager of Montea on March 23, 2016. The transaction resulted in a strengthening of the equity by € 16,212,123.75, of which an amount of € 9,114,605 was allocated to the section capital and an amount of € 7,097,518.75 was allocated to the section issue premiums.

The despositor was remunerated by 447,231 new shares Montea totaling € 16,212,123.75 and a remuneration in cash totaling € 2,600,000. The issue price of the new shares used in the context of this transaction amounts to € 36.25 per share. The 447,231 new issued Montea shares are ordinary shares have the same rights as the existing shares. They will contribute in the results for the full year 2016. The admission for trading of the new shares on Euronext Brussels and Paris will be requested as soon as possible.

4.9 Forecasts for the financial year 2016

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, France and the Netherlands) and signing leases for longer terms with good-quality tenants from a range of different sectors.

[74] Contribution in kind in Montea through 100% shares of Nyssa NV and Robinia One NV.

We are also seeing a growing appetite in Belgium, France and the Netherlands for logistics property, which is placing downward pressure on investment returns. For this reason, Montea is forced to be involved from the beginning of the project.

In 2016, Montea will focus further on the growth of its portfolio (external growth), as well as on improving the quality of its buildings (internal growth) and the diversification of its income streams.

- **External growth**

Montea will capitalise on its expertise and experience in order to differentiate its external growth in 2016. Thus, priority will go to:

- Sale & rent back projects, in which Montea acquires property from companies that wish to divest their property. Montea's initial experience in these projects came with the acquisition of the logistics property of Unilever in Vorst (2008), Office Depot in Saint-Martin-de-Crau (2013), Delta Wines in Waddinxveen (2014), Depa Disposables in Beuningen (2014) and Groep Versteijnen in Tilburg (2015).
- Build-to-suit projects, in which Montea goes looking with an end-user for the ideal logistics solution in an "open book" relationship. Montea gained the necessary experience in these projects with the construction of a new distribution centre for Metro and CdS in Vorst, Movianto in Erembodegem (BE), Vos Logistics in Oss and DocMorris n Heerlen(NL).
- Through partnership agreements, build-to-suit buildings were developed for Dachser and Neovia Logistics Belgium at MG Park De Hulst in Willebroek (BE), for DHL Global Forwarding, St Jude Medical and Nippon Express Belgium at Brucargo in Zaventem (BE).
- Collaboration with other property players, such as developers, land-owners and industrial parties, in which Montea uses its knowledge and experience in the logistics market to become involved in the development process at an earlier stage and hence realise part of the development margin. For instance, Montea has a collaborative agreement with De Paepe Group for the development of the De Hulst logistics park in Willebroek.
- Prospection relating to the acquisition or purchase of portfolios or buildings that are not part of the core investments and priorities of various investment groups.

- **Internal growth or quality improvement**

In addition to external growth, Montea will focus on enhancing its existing portfolio. Montea sees 2 major opportunities:

- Development of the land bank, in which Montea will work actively on marketing the remaining land in the portfolio. Montea currently holds 119,569 m² of development potential.
- Improvement of the quality of the portfolio, in which Montea carries out full monitoring of its portfolio. The aim here is to have a clear view of the possible rises in value that can be created by a concerted adjustment/improvement of its products to the expectations and requirements of the market, without losing sight of sustainability.

- **Divestments**

Finally, Montea examines the divestment of some smaller sites in Belgium and France.

4.9.2 Specific prospects for Montea

- **Occupancy rate**

At 31/12/2015 the occupancy rate was 96.0 %.

During the course of 2016, a total area of 58,360 m^2 will be the subject of lease extensions and/or new leases (7.8% of the total floor space).

Montea is convinced that the good location and good condition of the sites will help it to find new tenants for current vacancies and any space becoming vacant in 2016, as well as for extending current leases.
In so doing, our aim is to maintain a minimum occupancy rate of 95%.

- Ambition to increase the value of the property portfolio above € 600 million in 2016.

  Taking the further growth based on its existing investment pipeline into account, Montea aims to increase the value of its property portfolio to above € 600 million.

- Investment capacity of € 58 million at a 60% debt ratio

  Taking a 60% debt ratio into account, Montea still has an investment capacity of € 58 million. With the investments already announced and the aim to achieve further growth based on its existing investment pipeline, Montea is currently examining various financing opportunities using debt and equity (such as a contribution in kind and/or the organisation of a capital raising).

- Net operating result

  In 2015 Montea recorded a net operating result of € 21.10 million (€ 2.29 per share). Based on these results, taking account of the full-year impact of the investments made in 2015, the developed build-to-suit projects and an assessment of the re-leasing of vacant space, Montea has the ambition to increase the net current result to € 26.5 million (>25%).

4.10 Corporate Governance statement

4.10.1 Applicable legislation and reference code

This corporate governance statement contains the most important rules that Montea has adopted from the legislation and the recommendations on corporate governance and the way these have been applied in 2015.

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 takes into account the size of the company and the nature of its activity.

The applicable legislation includes not only the Companies' Code, but also the Act of 12th May 2014 regarding regulated real estate companies (the **RREC Act**) and the Royal Decree of 13th July 2014 relative to regulated real estate companies (the **RREC RD**).

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

The Company and its Manager respect the provisions of the Belgian Corporate Governance Code 2009 and the legal recommendations on corporate governance by applying these within the organisation of the management of the Manager. As managing body of the Manager of the company, 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 general partnership by 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" refers to the board of directors of Montea's manager, Montea Management NV.

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. This limit may be waived in order to make some rotation in the board of directors. This exception applies on the one hand for the Managing Director appointed on 30/09/2010 for six years, to enable him to implement a long-term strategy and, on the other hand, this applies also for the Chairman of the Board of Directors appointed on 19.05.2015 for six years to ensure the continuity of policy.

  For more information, please see the table in section 4.10.3.2, A (Board of Directors – Composition).
- in view of the limited size of the company, the Board of Directors of the company's manager has decided not to establish a separate appointments committee. 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 staff and limited complexity of the company's organisation. However, an agreement was closed with a lawyer, if necessary, to provide advice in governance matters and in the application of corporate governance rules.

4.10.2 Report on internal audit and risk management systems

4.10.2.1 General

The board of directors of the 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 risks[75] 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.

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 RREC, listed on the stock exchange, which specialises in 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 the Benelux 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 two investment committees. The audit committee has the specific task of handling the company's internal auditing and risk management. For the accountancy of the French companies and the companies in the Netherlands, Montea is assisted by third parties, Primexis and Vistra, which provide 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.

[75] We refer to chapter 1: Risk factors for the description of these risks.

- 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, legal matters and knowledge of 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

The person, in charge of the company's risk management, draws up a list of all risks that are evaluated by the audit committee 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.
- audits based on internal procedures:
  - any purchase, sale and lease contract is signed by the permanent representative of the Manager and at least one of the Manager's directors;
  - incoming invoices are approved by at least 2 people (the person responsible and the manager of each department). All invoices are also additionally approved by the CEO.
  - outgoing payments are approved by at least 2 people (2 effective managers and/ or the CFO and 1 effective manager).
- audits on financial matters:
  - the Company is assisted by an external adviser with regard to consolidation and accounting practices whenever necessary;
  - 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 and in the Netherlands 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;
- the person responsible for internal audit: an internal audit programme has been approved in the audit committee. The internal audit function at Montea has been delegated for a term of three years (as of 23 September 2014) to an external contractor BDO Bedrijfsrevisoren BV o.v.v.e CVBA, represented by Mr Koen Claessens. The final responsibility for the internal audit lies with the effective manager PSN Management BVBA, represented by its permanent representative Peter Snoeck.

4.10.3 Board of Directors and committees

4.10.3.1 General

Montea has the legal form of a joint stock company and was accredited on 26th September 2006 by the FSMA as a public property trust under Belgian law. This accreditation came into effect on 1st October 2006. On 22nd September 2014, Montea was accredited by the FSMA as a public regulated real estate company under Belgian law. This accreditation came into effect on 30th September 2014, which was the date on which Montea's extraordinary general meeting voted to approve the new status.

In accordance with the Company Code and its articles of association, Montea is managed by a statutory Manager/Partner, Montea Management NV ("Montea Management" or the "Manager"), a company that is jointly and severally liable, without limitation, for all commitments made by Montea and which itself is represented by its permanent representative, Mr Jo De Wolf. On October 1, 2006 Montea Management was appointed as statutory manager of Montea for a period of ten years. At the extraordinary general meeting, which will be held after the annual general meeting of shareholders of Montea Management of 17th May 2016, it will be proposed to reappoint Montea Montea Management as the statutory manager of Montea, subject to approval by the FSMA of the resulting changes in the articles of association.

Montea Management is managed by a Board of Directors that is made up in such a way that Montea can be run in accordance with article 4 of the RREC Act and has at least three independent directors in the sense of article 526c of the Companies' Code, in accordance with the requirements of the Act of 12th May 2014 and the RD of 13th July 2014 relating to regulated real estate companies.

The structure of the partnership limited by shares is totally transparent. This means that all of the rules of the Act of 12th May 2014 and the RD of 13th July 2014 relating to regulated real estate companies apply to its management body, the Manager and the directors of the Manager.

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

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

- o the management bodies, on two levels:
  - the 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;
- o the supervisory bodies:
  - internal: supervision of the day-to-day management by the effective managers, supervision by the compliance officer and the person tasked with the risk management of the company and the person tasked with the internal audit;
  - external: the auditors and the FSMA.

The individuals who form part of the company's Board and statutory manager 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 simple majority from a list of candidates presented by the Board of Directors on the advice of the Renumeration and Nomination Committee. With the exception of one share held by Jo De Wolf, the General Meeting of the Manager is composed of the five children of the late Mr Pierre De Pauw, who each hold 20% of the shares.

The members of the Board of Directors are all natural persons. However, the transition measure contained in article 109 of the RREC Act applies to legal entities appointed as directors prior to 7th May 2014. Their mandate expired on 7th May 2014.

The directors are in principle appointed for a maximum period of four years, but, contrary to recommendation 4.6. of the Belgian Corporate Governance Code 2009, this limit may be waived in order to make a certain rotation within the board.

Nominations for appointments or renewal of appointments, or the non-renewal or the resignation of directors will be submitted in advance to the FSMA for approval and/or communication purposes pursuant to article 14, §4, paragraph 4 of the RREC Act.

The appointment process is led by the Chairman of the Board of Directors. Nominee directors or candidates for reappointment as director are nominated by the board of directors to the shareholders of the Manager on recommendation of 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 transport and logistics 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 property in the Benelux and France;
- knowledge of the logistical flows of goods;
- 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 Renumeration and Nomination Committee in a timely manner.

In accordance with article 13 of the RREC Act, at least three directors must be independent in the sense of article 526c of the Companies' Code. At the present time, the following directors comply with the independence criteria of the aforementioned article 526c of the Companies' Code:

- EMOR SPRL, with its permanent representative Francis Rome;
- Ciska Servais SPRL, with its permanent representative Ciska Servais;
- Insumat SA, with its permanent representative Sophie Maes.

(iii) Composition

The Board of Directors is made up of nine members. The composition of the Board of Directors was as follows at 31st December 2015:

Name	Acting as/Function	Start date mandate	End date mandate
Dirk De Pauw	Executive director, chairman of the investment committee, responisble for the business development in France and since 1/10/2014 also chairman of the board of directors	01/10/2006	18/05/2021
Jo De Wolf BVBA, represented by Jo De Wolf	Managing director, Chief Executive Officer (CEO).	30/09/2010	17/05/2016
Peter Snoeck	Executive director	01/10/2006	15/05/2018
André Bosmans	Non-independent, non-executive director	01/10/2006	15/05/2018
Jean-Marc Mayeur	Non-executive director	15/05/2012	15/05/2018
Dirk Vanderschrick	Non-executive director	15/05/2012	15/05/2018
EMOR BVBA, represented by Francis Rome	Independant director	21/05/2013	17/05/2016
Ciska Servais BVBA, represented by Ciska Servais	Independant director	21/05/2013	17/05/2016
Insumat NV, represented by Sophie Maes	Independant director	03/10/2013	17/05/2016

Based on the advice of the remuneration and appointments committee, the Board of directors has verified that the independent directors meet the independence criteria of article 526ter of the Company Code.

With effect from 19th May 2015, the directors' mandates of the following directors come to an end:

- DDP Management BVBA, whose permanent representative is Dirk De Pauw;
- PSN Management BVBA, whose permanent representative is Peter Snoeck;
- André Bosmans Management BVBA, whose permanent representative is André Bosmans;
- Federale Verzekering, whose permanent representative is Jean-Marc Mayeur;
- Belfius Insurance NV, whose permanent representative is Dirk Vanderschrick.

With effect from 19th May 2015, the directors' mandates of the following directors begin:

- Mr Jean-Marc Mayeur for a term of three years (until the annual general meeting of 2018);
- Mr Dirk Vanderschrick for a term of three years (until the annual general meeting of 2018);
- Mr Peter Snoeck for a term of three years (until the annual general meeting of 2018);
- Mr André Bosmans for a term of three years (until the annual general meeting of 2018);
- Mr Dirk De Pauw for a term of six years (until the annual general meeting of 2021).

The Board of Directors currently has two 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 at the time the mandate of directors will expire, the Board of Directors will undertake the necessary action to have these mandates filled by persons of the other gender. In this context two expired mandates (2013) were replaced by two female members. Also, at the annual general meeting of shareholders of Montea Management NV it will be proposed to reappoint two female directors (see below).

With effect from 17th May 2016, the directors' mandates of the following directors come to an end:
- Jo De Wolf BVBA, whose permanent representative is Jo De Wolf;
- EMOR BVBA, whose permanent representative is Francis Rome;
- Ciska Servais BVBA, whose permanent representative is Ciska Servais; and
- Insumat NV, whose permanent representative is Sophie Maes.

At the annual general meeting of shareholders of Montea Management NV, which will be held on 17th May 2016, it will be proposed to appoint the following directors as directors of Montea:
- Jo De Wolf (6 years);
- Ciska Servais (3 years);
- Sophie Maes (3 years); and
- Michel Delbaere (3 years).

At the annual shareholders meeting of Montea Management NV which will be held on 17th May 2016, it will also be proposed to change the position of director Andre Bosmans from non-executive / non-independent director, to non-executive / independent 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).

Dirk De Pauw
Representative of the family De Pauw
Chairman of the board of directors and of the investment committee
Start of mandate: 1/10/2006 - End of mandate: 19/05/2015 – Renomination till 18/05/2021

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 Chairman of the board of directors of the Manager of Montea and Chairman of both Investment committees of the Company. He represents the Pierre De Pauw family on the Board of Directors.

Jo De Wolf BVBA, represented by Jo De Wolf
Managing Director and CEO
Start of mandate: 30/09/2010 - End of mandate: May 2016[76]

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 14 of the RREC Law). Since May 2011: Director of BVS-UPSI (Professional Association of the Property Sector).

Peter Snoeck
Representative of the Family De Pauw – Executive director
Start of mandate: 1/10/2006 - End of mandate: 19/05/2015 – Renomination till 15/05/2018

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 represents the Pierre De Pauw family on the Board of Directors. PSN Management BVBA, represented by Mr Peter Snoeck has been appointed as an effective manager of Montea Comm. VA, in accordance with article 14 of the RREC Act.

[76] In previous annual reports, the end date of the mandate of Jo De Wolf BVBA was incorrectly stated.

André Bosmans
Director
Start of mandate: 1/10/2006 – End of mandate: 19/05/2015 – Renomination till 15/05/2018

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:
PPF Brittany GP Sàrl: manager till 2010, Cardev NV: director till 2014, City Mall Development NV: director till 2014, City Mall Invest NV: director till 2014, Comulex NV: director till 2014, Dolce La Hulpe NV: director till 2014, Immo Property Services (IPS): director till 2014, Lex 84 NV: director till 2014, Luso Invest NV: director till 2014, S.D.E.C. NV: director till 2014
b. The current mandates:
He has been, through his management company, director of Banimmo NV (since 2011) and NV Conferinvest (since 2007). He is also director on his own behalf of the NV Grondbank The Loop 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 his management company. He is a member of the executive committee of Belgian Land NV and director of the subsidiaries of Belgian Land. He is member of the investment committee "Vastgoed" of PMV.

Jean-Marc Mayeur
Director
Start of mandate: 15/05/2012 – End of mandate: 19/05/2015 - Renomination till 15/05/2018

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: Retail Estates
b. De current mandates:
Federale Management since 2012, Federale Invest since 2013, K building (Subsidiary of de Federale Verzekering investing in student housing) since 2012, Senior Housing Invest (Subsidiary of de Federale Verzekering investing in nursing homes) since 2012; Milsenhof NV since 2012, De Muze NV since 2013. Since May 2012 he has represented Federale Verzekering as Chief Investment Officer as a director of Montea.

Dirk Vanderschrick
Director
Start of mandate: 15/05/2012 – End of mandate: 19/05/2015 - Renomination till 15/05/2018

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), Belfius Ireland, Quest for Growth, Capricorn Health-tech Fund, Auxipar, Promotion Leopold.
b. Current mandates:
Belfius Bank, Belfius Insurance, VDK Spaarbank, ABB/BVB, Febelfin.
Since May 2012 he has represented Belfius Insurance Belgium NV as a director of Montea.

EMOR BVBA, with its permanent representative, Mr Francis Rome
Independant director
Start of mandate: 21/05/2013 – End of mandate: May 2016

Francis Rome, born in 1948, has a degree in Applied Economic Sciences and an M.A. and Doctorate in International Relations.

a. Mandates expiring in the past five years:
   Eurobrokers N.V. (transport and distribution) and Logit Systems
b. Current mandates:
   Inno.com CVBA (I.T. consultancy) and Logit Systems NV.

Francis Rome is a professor at the University of Antwerp, Director of the Flemish Institute for Logistics and chairman of the Flemish Port Commission.

Ciska Servais BVBA, with its permant representative, Ms Ciska Servais
Independent director
Start of mandate: 21/05/2013 – End of mandate: May 2016

Ciska Servais, born in 1965, has a degree in Law, a Master's in International Legal Cooperation and a special diploma in Environmental Sciences.

a. Mandates expiring in the past five years:
   Nautinvest Vlaanderen (PMV NV)
b. Current mandates:
   CFE NV (construction company) and Astrea BV CVBA (law practice).

Insumat NV, with its permant representative, Ms Sophie Maes
Independent director
Start of mandate: 03/10/2013 - End of mandate: May 2016

Sophie Maes, born in 1957, has a degree in Commercial and Financial Sciences.

a. Mandates in her own name (+ as permanent representative of Bevalex NV) expiring in the past five years:
   Director of Saturno NV and Romano NV as permanent representative for Bevalex NV, VOKA-Kamer van Koophandel Oost-Vlaanderen VZW, Messiaen NV, Espace Belliard NV, Alides NV, Fonsny NV, R. Maes NV, Alides Projects NV, Krekelendries NV, Immo Spa NV, Investate NV as permanent representative for Bevalex NV, Aedifica as permanent representative for Bevalex NV, ACS Technics NV, Building Hotel Maes NV
b. Mandates of the company Insumat expiring in the past five years: Aedifica, Aalterpaint NV.
c. Current mandates in her own name:
   Director of Investissement Leopold NV, Profin BVBA, Algemene Bouw Maes NV, MAPP SCI, Imco SCI, VOKA Vlaams Economisch Verbond VZW, Insumat NV, BVS- UPSI (chairman for Flanders), BNP Paribas Fortis Bank (Management commitee), Vlaams Overleg voor Ruimtelijke Ordening en Huisvesting VZW, Aedifica, Voka – Kamer van Koophandel Oost-Vlaanderen
d. Current mandates of the company Insumat:
   Director of Alides Projects NV, Orelio NV, Building Hotel Maes NV, Investera NV, Investpool NV, ACS Technics NV, Alides NV, Espace Belliard NV, Fonsny NV, Gindac NV, Immo Spa NV, Krekelendries NV, R. Maes NV, Paestum NV, Ghent Industrial Investment NV, ACS Technics NV, Building Hotel Maes NV.

The Company confirms that the non-executive directors mentioned above (see 4.10.3.2) comply with requirement 4.5 of the Belgian Corporate Governance Code 2009 (see (iii) Composition), which states that non-executive directors may not exercise more than five mandates in companies listed on the stock exchange.

No member of the Board of Directors and its committees has been convicted of fraud in the past 5 years.

The NV Insumat is one of the directors of NV Gindac and is to that effect represented by Mrs Sophie Maes. The NV Gindac was as of 26 June 2013 one of the directors of NV Afinco – of which it held a participation – and was as from that same date represented by Mrs Sophie Maes. After a procedure of judicial reorganization by a transfer subject to judicial authority NV Afinco was declared bankrupt on 29 January 2015.

There have been no further abnormalities about allegations made and/or sanctions imposed by supervisory authorities relating to any member of the Board of Directors and its committees in the past 5 years in which a member has been disqualified to act as member of the management body.

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 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 information;
- proposal of profit distribution;
- other duties expressly assigned to the manager (strategy and budget, annual, quarterly and half-yearly accounts, use of the authorized capital, approval of the merger/demerger 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 2015. In between, where necessary in the interests of the company, there were ad hoc meetings of the Board of Directors via telephone conferencing. The directors attended in the way illustrated by the table below:

Name	Function	Director, represented by	End date of mandate	Attendance list in 2015
DDP Management BVBA, representedy by Dirk De Pauw	Chairman	Family De Pauw	May 2021	3/5
Dirk De Pauw	Chairman	Family De Pauw	May 2021	2/5
Jo De Wolf SPRL, represented by Jo De Wolf	CEO Montea Comm.VA	Delegated Director	May 2016	5/5
André Bosmans Management SPRL, represented by André Bosmans	Non-executive and non-independant Director	Non-executive and non-independant Director	May 2015	2/5
André Bosmans	Non-executive and non-independant Director	Non-executive and non-independant Director	May 2018	3/5
PSN Management SPRL, represented by Peter Snoeck	Executive Director	Family De Pauw	May 2018	2/5
Peter Snoeck	Executive Director	Family De Pauw	May 2018	2/5
Jean-Marc Mayeur	Director	Federale Verzekering	May 2018	3/5
Dirk Vanderschrick	Director	Belfius Insurance Belgium	May 2018	3/5
Emor SPRL, respresented by Francis Rome	Independant Director	Independant Administrator	May 2016	5/5
Ciska Servais SPRL, respresented by Ciska Servais	Independant Director	Independant Administrator	May 2016	3/5
Insumat SA, respresented by door Sophie Maes	Independant Director	Independant Administrator	May 2016	5/5

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

- review and discussion of the reports from the remuneration and appointments committee;
- review and discussion of the reports from the audit committee;
- review and discussion of the reports from the investment committees;
- deliberation and decisions regarding investments and divestments on the advice of the investment committees;
- deliberation and decisions regarding the quarterly, half-yearly and annual consolidated and statutory financial statements and press releases;
- discussion and approval of the annual budget;
- evaluation and monitoring of the strategy set;
- allocation of the authorised capital on 18th May 2015 regarding the stock dividend;
- deliberation and decision regarding the emission of bonds on 30th June 2015.

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 two investment committees, 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.

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.

This year there have been informal training sessions about a/o the evolution of the logistics property market.

G. Evaluation of directors

The evaluation of the directors is done at different levels:

- the Board of directors 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 of directors 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 succeeded. 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 is made up of the following directors:

- Insumat SA, represented by Sophie Maes, chairman of the audit committee, independent director;
- Ciska Servais SPRL, represented by Ciska Servais, independent director and
- Mr Dirk Vanderschrick, non-executive director.

According to Article 526*bis* 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 the total committee.

Mrs Sophie Maes has relevant experience as CEO of the various companies in the Maes group.

Mr Dirk Vanderschrick has relevant experience given that he is responsible for retail and commercial banking at Belfius Bank.

Mrs Ciska Servais has relevant experience as a member of the audit committee at CFE NV.

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 526*bis* 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;
- 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 company;
- 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 of directors at the General Meeting can only be made upon proposal by the Audit Committee.

The Audit Committee reports, after each meeting, to the Board of directors on the performance of its duties, and at least when the Board of directors 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 2015 the audit committee was convened four times. The members' attendance was as shown in the table below:

Name	Function	Attendance list in 2015
Insumat NV, represented by Sophie Maes	Independant Director and Chairman	4/4
Ciska Servais SPRL, represented by Ciska Servais	Independant Director	3/4
Dirk Vanderschrick	Director	3/4

At these meetings the issues dealt with included the following:

- discussing the quarterly, half-yearly and annual consolidated and statutory financial 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, legal and business risks.

The evaluation of the members and operation of the audit committee is done on a permanent basis (i) both by 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 of the board of directors. 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 a 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 company.

(ii) Composition

The remuneration and appointments committee is made up of the following members:

- Ciska Servais SPRL, represented by Ciska Servais, chairman of the committee, independent director;
- André Bosmans, represented by André Bosmans, non-executive director, non-independent director;
- Insumat SA, represented by Ciska Servais, 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.

Mrs Sophie Maes has a/o relevant experience as CEO of the various companies in the Maes group.

Mrs Ciska Servais has among others the relevant experience as member of the remuneration committee of CFE NV.

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 of directors 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 of directors 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 twice in 2015: The members' attendance was as shown in the table below:

Name	Function	Attendance list in 2015
Ciska Servais SPRL, represented by Ciska Servais	Independant Director	2/2
André Bosmans	Non-executive and non-independant Director	2/2
Insumat NV, represented by Sophie Maes	Independant Director	2/2

At these meetings the following issues were discussed:

- evaluation of the management for 2015 and discussion of the goals for 2016;
- discussion and evaluation of the overall staff policy;
- discussion and approval of stock option plan (see 4.10.7. D);
- discussion and preparation of the remuneration report 2015.

The CEO attends the meetings of the Remuneration and Nomination Committee whenever it discusses the goals 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 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 of the board of directors. The chairman can then, at his discretion, take the necessary steps.

4.10.3.5 Investment Committees

A. Composition of the investment committees

(i) Set-up

In 2013, the Board of Directors divided up the investment committee into two investment committees per geographical region for the purpose of obtaining professional advice in investment dossiers.

(ii) Composition

The Investment Committee Belgium – The Netherlands consists of the following parties:

- DDP Management BVBA, represented by Mr Dirk De Pauw, Chairman of the Investment Committee, Director and responsible for business development in France;
- 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, Executive Director;
- Peter Verlinde (CFO) [77];
- PDM cv, represented by Peter Demuynck (Chief Commercial Officer) (CCO);
- GCA Consult BVBA, represented by Mrs Griet Cappelle, Chief Operating Officer (COO).
- EMOR BVBA, represented by Francis Rome;
- Insumat NV, represented by Sophie Maes;
- HOAM BV, represented by Hylcke Okkinga[78].

The Investment Committee France consists of the following parties:

- DDP Management BVBA, represented by Mr Dirk De Pauw, Chairman of the Investment Committee, Director and responsible for business development in France;
- Jo De Wolf BVBA, represented by Mr Jo De Wolf, Managing Director and Chief Executive Officer (CEO);
- Peter Verlinde (CFO)[77];
- Jean de Beaufort (General Manager of the subsidiary in France);
- Laurent Horbette

B. Duties of the Investment Committees

The investment committees are responsible for the preparation of investment and divestment files for the Board of Directors. They also follow the negotiations with the various counterparties of Montea. 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.

77 As from 1/3/2016 Peter Verlinde shall be replaced as CFO by Elijarah BVBA, represented by Els Vervaecke.

78 HOAM BV, represented by Mr Hylcke Okkinga, was adopted on 1st June 2015 for the function of Director Netherlands and as member of the investments committee Netherlands.

C. Investment Committees' activity report

In 2015, the Investment Committee Belgium - Netherlands met six times. The members' attendance was as shown in the table below[79]:

Name	Function	Attendance list in 2015
DDP Management BVBA, representedy by Dirk De Pauw	Chairman	6/6
Jo De Wolf BVBA, represented by Jo De Wolf	Member	6/6
PSN Management BVBA,represented by Peter Snoeck	Member	5/6
Peter Verlinde	Member	6/6
PDM cv, represented by Peter Demuynck	Member	6/6
GCA Consult BVBA, represented by Griet Cappelle	Member	5/6
Emor BVBA, represented by Francis Rome	Member	5/6
Insumat NV, represented by Sophie Maes	Member	5/6
HOAM NV, represented by Hylcke Okking	Member	3/4

In 2015, the Investment Committee France met five times. The members' attendance was as shown in the table below:

Name	Function	Attendance list in 2015
DDP Management BVBA, representedy by Dirk De Pauw	Chairman	5/5
Jo De Wolf BVBA, represented by Jo De Wolf	Member	5/5
Peter Verlinde	Member	5/5
Jean de Beaufort	Member	5/5
Laurent Horbette	Member	5/5

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 2015, the executive management consisted of[80]:

(i) Jo De Wolf BVBA, represented by Mr Jo De Wolf, in the position of CEO;
(ii) Peter Snoeck, Executive director;
(iii) Peter Verlinde, in the position of CFO;
(iv) PDM 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 COO;
(vii) HOAM BV, represented by Hylcke Okkinga, in the position of Director Nederland.

Jo De Wolf BVBA, represented by Mr Jo De Wolf, and PSN Management BVBA, represented by Mr Peter Snoeck, also qualify as effective leaders in the sense of article 14 of the RREC Act. The mandate of the effective leaders Jo De Wolf BVBA and PSN Management BVBA started respectively at 20/10/2010 and 01/10/2006. Both mandates will expire on September 23, 2018.

No member of the executive management has been convicted in connection with fraud offences in the past 5 years.

[79] HOAM BV, represented by Mr Hylcke Okkinga, was adopted on 1st June 2015 for the function of Director Netherlands and as member of the investments committee Netherlands. As a result, he was only able to attend 3 meetings of the investments committee Belgium-Netherlands.

[80] Mr Peter Verlinde, PDM cv, represented by Mr Peter Demuynck, Mr Jean de Beaufort, GCA Consult BVBA represented by Griet Cappelle and HOAM BV, represented by Hylcke Okkinga have no decision-making powers, but only consultative powers.

There have been no further abnormalities with regard to bankruptcies, receiverships or liquidations in which a member of the executive management has been involved in the past 5 years.

There have been no further abnormalities about allegations made and/or sanctions imposed by supervisory authorities relating to any member of the executive management in the past 5 years in which a member has been disqualified to act as member of the executive management.

B. Duties of the executive management

The executive management is responsible for the following:

- preparing the decisions that have to be taken by the Board of Directors in order to fulfil its obligations, and the timely provision of the information required to do so;
- implementing decisions taken by the Board of Directors;
- carrying out internal audits, without prejudice to the supervisory role of the Board of Directors, based on approvals made by the Board of Directors;
- proposing the full, timely, reliable and accurate preparing of the annual accounts to the Board of Directors;
- preparing the publication of the annual accounts and other material financial and non-financial information;
- proposing a balanced and understandable assessment of the financial situation to the Board of Directors;
- setting out the responsibility and accountability to the Board of Directors regarding the exercise of its duties.

The executive management is charged in particular with the management of property, the financing policy, the overall management of staff and the HR policy, the preparation of all statutorily required financial and other information and the reporting and distribution of all information required to the public or competent authorities.

C. Functioning of the executive management and daily management

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

The executive management meets weekly. The agenda items of these meetings are, inter alia, the operational decisions regarding the daily management, the status of current projects and leases and evaluation of new projects under study.

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

The executive management provides the Board of directors 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 financial statements and details on the consolidated financial statements.

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

D. Evaluation of the executive management and daily management of the 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 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 RREC. 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 RREC. This lump sum cannot be less than € 15,000 per year and meets the criteria of article 35, §1, 2nd subparagraph of the RREC Act.

The variable statutory portion is equal to 0.25% of the amount equal to the sum of the adjusted results[81] and of the net gains on disposal of property not exempt from the mandatory payment. This remuneration meets the criteria of article 35, §1, 2nd subparagraph of the RREC Act. 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 2015

During the financial year ending on 31st December 2015, the remuneration of the Manager was € 664,883.40 excl. VAT. This amount includes the total remuneration cost on the part of the Board of Directors of the Manager, the remuneration for the managing director and the operating costs of Montea Management NV.

The final allocation of this remuneration to the Business Manager will be submitted for approval to the annual meeting on 17th May 2016.

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 executive directors. 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 and appointments Committee. All members of the Board are also covered by a civil liability insurance for directors, whose total premium of € 20,358.74 for all directors together is borne by Montea.

---

[81] The corrected result = Net result + 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.

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 2015

The attendance fee for FY 2015 for the non-executive directors was established at € 1,500 per meeting for all directors who actually participate in the Board of Directors. The executive directors do not receive attendance fees.

The Chairman of the Board of Directors receives an annual fixed emolument of € 30,000.

Members of the audit committee and the remuneration and appointments committee receive an additional attendance fee for each effective attendance at a committee meeting. For the 2015 financial year, this attendance fee was set at € 2,000 per meeting for the chairman of the audit committee and € 1,000 per meeting for the chairman and members of the remuneration and appointments committee. The members of the audit committee receive a fee of € 1,500 per meeting.

For directors, this means that for FY 2015, they received the following compensation:

Name	Fonction	Director, representative of	Board of Directors Annual fixed remuneration	Board of Directors Presence fee	Audit Committee Presence fee	Remuneration Committee Presence fee	Total	IC	Total
DDP Management BVBA, represented by Dirk De Pauw	Chairman Executive Director	Family De Pauw	€ 12.500				**€ 12.500**	26.228,00 €	**38.728,00 €**
Dirk De Pauw	Chairman Executive Director	Family De Pauw	€ 17.500				**€ 17.500**		**17.500,00 €**
Jo De Wolf BVBA, represented by Jo De Wolf	CEO Montea Comm.VA	Delegated Administrator							**0,00 €**
André Bosmans Management BVBA, represented by André Bosmans	Non-executive and non-independant Directror	Non-executive and non-independant Director		€ 4.500		€ 1.000	**€ 5.500**		**5.500,00 €**
André Bosmans	Non-executive and non-independant Director	Non-executive and non-independant Director		€ 3.000		€ 1.000	**€ 4.000**		**4.000,00 €**
PSN Management BVBA, represented by Peter Snoeck	Executive Director	Family De Pauw					**€ 0**		**0,00 €**
Peter Snoeck	Executive Director	Director					**€ 0**		**0,00 €**
Jean-Marc Mayeur	Director	Federale Verzekering		€ 4.500			**€ 4.500**		**4.500,00 €**
Dirk Vanderschrick	Bestuurder	Belfius Insurance Belgium		€ 4.500	€ 4.500		**€ 9.000**		**9.000,00 €**
Emor BVBA, represented by Francis Rome	Independant Director	Independant Director		€ 7.500			**€ 7.500**	10.000,00 €	**17.500,00 €**
Ciska Servais BVBA, represented by Ciska Servais	Vice-president	Independant Director		€ 4.500	€ 4.500	€ 2.000	**€ 11.000**		**11.000,00 €**
Insumat NV, represented by Sophie Maes	Independant Director	Independant Director		€ 7.500	€ 8.000	€ 2.000	**€ 17.500**	10.000,00 €	**27.500,00 €**
			€ 30.000	**€ 36.000**	**€ 17.000**	**€ 6.000**	**€ 89.000**	**46.228,00 €**	**135.228,00 €**

C. Remuneration policy for the next two financial years

The Board of Directors shall benchmark at all times the remuneration of the members of the board of directors and its committees with the market. The remuneration and nomination committee will discuss on an annual basis these remunerations and submit them to the Board of Directors.

For the financial year 2016 changes have been made to the current remuneration for the members of the board and its committees:

- the attendance fee for non-executive directors will be set at € 2,000 per meeting for all directors who actually take part in the board of directors meeting. Executive directors receive no attendance fee.
- the Chairman of the board of directors receives an annual fixed remuneration of € 60,000.
- the members of the audit committee and the remuneration and appointments committee receive an additional attendance fee for each meeting of the committee that they actually attend. These attendance fees will be set at € 2,000 per meeting for the Chairman of the audit committee and € 2,000 per meeting for the chairman and for the members of the remuneration and appointments committee. The members of the audit committee receive a payment of € 2,000 per meeting.

4.10.6 The Investment Committees

A. Remuneration policy

Remuneration policy and remuneration for the financial year 2015

With the exception of executive management, members receive an attendance fee of € 2,000 per meeting attended, on the one hand for the investment committee Belgium/Netherlands, and on the other hand, for the investment committee France. The chairman of the investment committee received an annual remuneration of € 26,228 for both investment committees.

B. Remuneration for the financial year 2015

The members received the following remuneration for the financial year 2015:

Investment committee Belgium / The Netherlands	Function	Remuneration
DDP Management SPRL, represented by Dirk De Pauw	Président	€ 26.228
Jo De Wolf SPRL, represented by Jo De Wolf	Membre	0
PSN Management SPRL, represented by Peter Snoeck	Membre	0
Peter Verlinde	Membre	0
PDM cv, represented by Peter Demuynck	Membre	0
GCA Consult SPRL, represented by Griet Cappelle	Membre	0
Emor SPRL, represented by Francis Rome	Membre	€ 10.000
Insumat SA, represented by Sophie Maes	Membre	€ 10.000
HOAM BV, represented by Hylcke Okkinga	Membre	0

Investment committee France	Function	Remuneration
DDP Management SPRL, represented by Dirk De Pauw	Président	0
Jo De Wolf SPRL, represented by Jo De Wolf	Membre	0
Peter Verlinde	Membre	0
Jean de Beaufort	Membre	0
Laurent Horbette	Membre	€ 10.000

C. Remuneration policy for the next two financial years

The board of directors of the Manager shall evaluate and analyze at all times the remuneration of the members of the investment committees. This will be discussed on an annual basis in the remuneration and nomination committee and submitted to the Board of Directors.

For the financial years 2016 and 2017, no changes are made to the current remuneration for the members of the investment committee.

4.10.7 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. For the CEO the variable part amounts to 25% maximum of the total remuneration. For the other members of the executive management the variable part amounts to between 10% and 25% of the total remuneration.

Neither the fixed remuneration nor the variable remuneration of the members of the executive management may be determined based on the operations and transactions carried out by Montea or its subsidiaries[82].

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 2015

The variable remuneration of the CEO for the year 2015 was set at the beginning of FY 2015 by the Remuneration Committee, based on the following targets, which proportionally represent a possible variable remuneration:

- external growth of the portfolio through the proposed investment plan;
- internal growth of the portfolio through the establishment and implementation of the proposed investment plans on the existing portfolio, which will increase the quality of the portfolio;
- retention of the occupancy rate at the level of the previous year (i.e. > 95%);
- establishment of an office in the Netherlands;
- establishment of a Risk Management programme.

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 2015 of the other members of the executive management was set at the beginning of FY 2015 by the Remuneration Committee based on the following objectives:

- investing € 80 million via internal and external growth in Belgium and the Netherlands
- investing € 20 million via internal and external growth in France;
- developing sustainable development plans for the existing portfolio;
- developing collaborative links with third parties;
- implementing the proposed divestment plan;
- redeveloping the site in Vorst;
- retaining a minimum 95% occupancy rate in the Benelux and France;
- further developing investor relations with institutional parties in the Benelux and France and expanding the shareholder structure to support further growth;
- setting up a Risk Management programme.

[82] Article 35, §1, subparagraph 2 of the Law of 12 May 2014 on regulated real estate companies.

Each year, through an assessment interview with the CEO, taken by 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 presented by the CEO to the remuneration and nomination committee and then submitted to the next meeting of the board of directors.

During the financial year closed at 31 December 2015, the executive management received the following fixed and variable remuneration[83]:

Name	Fixed remuneration	Variable remuneration	Pension compensation	Other renumerations and advantages (*)	Total
BVBA Jo De Wolf	405.750,37 €	116.930,00 €	0,00 €	0,00 €	**522.680,37 €**
Other members of the executive management (*)	1.101.097,09 €	235.337,50 €	8.684,09 €	16.595,00 €	**1.361.713,69 €**
	1.506.847,47 €	**352.267,50 €**	**8.684,09 €**	**16.595,00 €**	**1.884.394,06 €**

(*) Other elements include the benefit of hospitalisation insurance, company car and mobile phone. This only applies for Peter Verlinde and Jean de Beaufort.

The remuneration of the other members of the executive management includes both the amounts invoiced by the management companies (PDM CVBA, PSN Management BVBA, GCA Consult BVBA and HOAM BV) and the full salary costs for Peter Verlinde and Jean de Beaufort.

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.

C. Remuneration policy for the next two years

The CEO shall make each year an analysis and evaluation based on market terms, for the remuneration of the executive management. The summary of this analysis and evaluation will be discussed by the CEO together with the Chairman of the Board of directors before it will be discussed in the remuneration committee.

The remuneration committee discusses the analysis and evaluation and makes a proposal for the remuneration of the whole Montea team, including the remuneration of the executive management, for approval in the next Board of Directors.

The following objectives for the executive management for 2016 were discussed and recorded at the remuneration and appointments committee meeting on 26th January 2016:

For the CEO:

1. Commercial and Asset management:
   - improvement of corporate identity (corporate film, website, brochure)
   - improvement of accessibility and service level of Montea towards current customers
   - 95% occupancy rate in Belgium and France, 100% occypancy in the Netherlands

2. Business development:
   - portfolio growth by € 140 million in Belgium and the Netherlands
   - direct the structuring of the Dutch investments
   - start up of first development project in France

3. Financial
   - strengthening and further diversification of the financial structure in function of the growth over 2016.
   - setting up a Risk Management programme.

[83] The executive management consits of seven members (see section 4.10.4 A. (i)).

For the other members of the executive management:

1. Commercial/Asset management:

   - retention of >95% occupancy rate
   - internal alignment of procedures
   - finalisation of maintenance plans for all sites

2. Business development:
   - 95% occupancy rate in Belgium and France
   - 100% occupancy rate in Nederland
   - growth of the portfolio by € 140 million in Belgium and the Netherlands
   - growth of the portfolio by € 20 million in France
   - beginning of the first development project in France

3. Financial
   - improved monitoring of payments
   - improved analysis of investment projects (valuations, reporting, etc.)
   - optimisation of Risk Management
   - strengthening of the financial structure based on growth across 2016
   - further diversification of the debt

D. 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 lasting 10 years (expiry date 31/12/2021);
- allocation of the number of options based on a one-third per year for the first three years;
- retention period of 3 years (until 31/12/2014) during which time the options cannot be exercised;
- option exercise price at € 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.

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

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

To furnish this option plan, in 2013 Montea proceeded with the purchase of 23,346 of its own shares with a total par value of € 639K. This purchase of its own shares (valued at € 639K[84]) was included in Montea's equity capital.

From 2015, options can be exercised twice a year, specifically between 15th March to 30th March or between 15th September to 30th September. During the period from 15th to 30th March, the following options were exercised:

- Jo De Wolf BVBA: 5,400 options;
- PDM cv: 1,600 options;
- PSN Management BVBA and Peter Verlinde: 3,900 options;
- DDP Management BVBA: 1,300 options.

The table below provides a summary of the number of options that were received and exercised at 31/12/2015:

	Received options	Exercised options
Jo De Wolf BVBA, represented by Jo De Wolf	6.446	5.400
PSN Management BVBA, represented by Peter Snoeck	3.900	3.900
PDM CV, represented by Peter Demuynck	3.900	1.600
Peter Verlinde	3.900	3.900
DDP Management BVBA, represented by Dirk De Pauw	1.300	1.300
Jean de Beaufort	3.900	0
	23.346	16.100

In 2015, there are no options expired.

E. 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	
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 (*)
HOAM BV, represented by Hylcke Okkinga	6 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.

[84] The difference in the amount of € 636K (see 4.10.13.4) is related to € 3K costs resulting from the purchase of own shares.

4.10.8 Control - Internal control - Supervision of the executive management

The supervision of the executive management is, in accordance with the Belgian Corporate Governance Code 2009, the responsibility of the full Board of Directors of the Manager.

This supervision does not control the content of all acts made by the persons who are responsible for the executive management.

4.10.9 Other persons involved

4.10.9.1 Compliance officer

Compliance is an independent function within Montea. It focuses on investigating and encouraging compliance by Montea of the rules relating to its business.

The rules relating to compliance and integrity are included in the function of the compliance officer. Under principles 3.7 and 6.8, as well as Appendix B of the Corporate Governance Code 2009, the independent compliance function resides with Peter Verlinde, CFO, member of the executive management, who has been appointed as compliance officer. The compliance officer is charged with investigating and encouraging compliance by the company of the rules relating to the integrity of its business activities. The rules cover the requirements that arise from the company's policy and its status, as well as other statutory and regulatory requirements. It therefore relates to part of the corporate culture in which emphasis is placed on honesty and integrity, compliance with high ethical standards in conducting business, and compliance with the applicable regulations. Hence the compliance officer is also charged with supervising compliance with the rules on market abuse, such as those imposed by the Act of 2nd August 2002 relating to supervision of the finance sector and financial services, and Directive 2003/6/EC regarding insider trading and market manipulation. The compliance officer is also charged with supervising compliance with the rules regarding conflicts of interest, as set out in section 9 of Montea's corporate governance charter with regard to the incompatibility of mandates.

The compliance officer reports to the managing director and effective director, Jo De Wolf BVBA, represented by Jo De Wolf.

4.10.9.2 Person charged with risk management for the company

Risk is a constantly present element in the business world. Montea identifies the risks in all of its processes and builds in the necessary internal controls to restrict exposure to these risks.

The awareness of risks in its internal and external environment is demonstrated on various levels by the Company to its staff by setting a good example at the top, as well as through the corporate governance charter – in other words the corporate culture.

It is the task of the Board of Directors to monitor identification of the risks and the way those risks are controlled. The Board of Directors pays attention to the various risk factors to which the Company is subject. The constant developments on the property and financial markets require the constant tracking of risks associated with monitoring the Company's results and financial situation.

The audit committee, which assists the Board of Directors in carrying out its supervisory role, submits the necessary recommendations to the Board of Directors regarding risk management and the control of financial risks. In conjunction with management and the auditor, the audit committee monitors the principal risks and the measures needed to control these risks.

At Montea, Peter Verlinde is charged with the risk management function for a period of 3 years, with effect from 23rd September 2014, tacitly renewable for periods of 1 year and which can be cancelled early at any time by a decision taken by the Board of Directors of the statutory manager. His duties include responsibility for drawing up, developing, monitoring, updating and implementing the risk management policy and risk management functions. He reports to the effective manager, namely Jo De Wolf BVBA, represented by Jo De Wolf.

4.10.9.3 Internal audit

Internal audit is an independent assessment function within the organisation. It focuses on examining and assessing the proper operation, effectiveness and efficiency of internal auditing. Internal audit assists the members of the organisation in the effective execution of their responsibilities and provides them in this regard with analyses, evaluations, recommendations, advice and information regarding the activities examined.

The scope of internal audit covers, in general, the examination and evaluation of the suitability and effectiveness of internal auditing, as well as the extent to which the allocated responsibilities are complied with.

The person charged with internal auditing examines the company’s compliance with the policy lines, risk management (both measurable and non-measurable risks), reliability (including integrity, correctness and completeness) and the timeliness of the financial and management information, as well as external reporting, the continuity and reliability of the electronic information systems and the operation of staff services.

The person charged with internal auditing examines and assesses all aspects of Montea’s overall business. In doing so, he or she uses various types of audit, such as:

a. the financial audit, designed to verify the dependability of the accounting records and annual financial statements based on them;

b. the compliance audit, aimed at checking compliance with legislation, regulations, policy lines and procedures;

c. the operational audit, focused on checking the quality and suitability of the systems and procedures, the critical analysis of the organisation structures and the assessment of the conclusive nature of the methods and resources used in relation to the objectives;

d. the management audit, focused on assessing the quality of the management function in terms of the company’s objectives.

The internal audit function at Montea is for a period of three years (commencing on 23rd September 2014), delegated to and carried out by the external service-provider, BDO Bedrijfsrevisoren BV o.v.v.e. CVBA, represented by Koen Claessens. He issues a report to the executive directors, who in turn produce a report for the entire Board of Directors of the Manager, where appropriate via the audit committee. The person responsible for internal auditing can also inform the chairman of the Board of Directors or Montea’s auditors directly. He can examine all of the company’s documents, files and information data, including the management information and minutes from the advisory and decision-making bodies, insofar as these are necessary for him to carry out his assignment. The person ultimately responsible for internal auditing is at the effective manager, PSN Management BVBA, represented by its permanent representative, Peter Snoeck, who has the required professional reliability and expertise (fit and proper) to carry out this function.

The end responsibility for the internal audit is the effective leader PSN Management BVBA, represented by its permanent representative Peter Snoeck who has the necessary professional reputation and appropriate expertise to carry out this function.

The person who is responsible for the internal audit function at Montea does not combine this function with that of risk manager or compliance officer.

4.10.9.4 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. The auditor was reappointed at the Annual General Meeting of May 21, 2013 for a term of three years until the annual meeting of 2016. This appointment was ratified by the extraordinary general meeting of August 13, 2013.

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 preferential 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 a patrimonial benefit 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 (legal entity);
   - with mergers and demergers;
   - when proposing to dissolve the company and the conclusion of the liquidation.

The Auditor also cooperates with the supervision conducted by the FSMA and to that end will:

1. ascertain that the RREC has taken appropriate measures for the administrative, accounting, financial and technical organisation, as well as for internal auditing in order to comply with the RREC Act and RREC RD and the implementation decrees and regulations put in place, as well as the management regulations or articles of association;
2. confirm that the annual reports and half-yearly reports have been provided to it by the RREC in accordance with article 50 of the RREC Act, in fully accurate form and in accordance with the applicable rules;
3. issue a periodic report to the FSMA or issue a special report at the FSMA’s request about the organisation, operations and financial structure of the RREC;

4. issue a report to the FSMA as soon as it has knowledge of:
   a) decisions, events or developments that affect or may affect significantly the position of the RREC financially or in the area of its administrative, accounting, financial or technical organisation, or its internal auditing;
   b) decisions or events that may refer to breaches of the Companies' Code, the articles of association, the RREC Act, the RREC RD and the decrees and regulations put in place for implementation;
   c) other decisions or events that may result in a refusal to certify the accounts or to formulate a reservation.

The base for calculating the remuneration of the Auditor is a fixed annual emolument. For the financial year ending on 31st December 2015, the fixed emolument for the auditors, Ernst & Young Bedrijfsrevisoren, represented by Mrs Christel Wymeersch, for its examination and auditing of the individual and consolidated accounts for the Montea group was € 51,694 (excl. VAT). In addition to the remuneration stated, € 22,818 was also paid as remuneration for additional auditing work.

4.10.9.5 Property expertise

Article 24 of the RREC Act, provides that the RREC'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 Jones Lang LaSalle BVBA, Marnixlaan 23, 1000 Brussel, for the assets in Belgium, The Netherlands and France. At the meeting of the Board of Directors on 22nd June 2015, the appointment of Jones Lang LaSalle BVBA, represented by Mr Rod Scrivener, was approved for a period of three years, beginning on 1/07/2015 and ending automatically on 30/06/2018.

Pursuant to article 24, paragraph 4 of the RREC Act, the remuneration of the property specialist shall not have any direct or indirect connection with the value of the property being assessed.

The fees of the property specialists are calculated based on a fixed fee per site in Belgium, the Netherlands and France. The specialists may also receive fees in the context of specific assignments.

These specialists will determine and report on the market value of the property in accordance with the applicable statutory requirements for valuing property under the RREC Act, of which the specialist will take account. The arrangements made between the parties remain subject to and come under the terms of the RREC RD and in particular all of the statutory requirements that apply to RRECs, as well as all statutory requirements that may supplement or supersede the current requirements that apply to RRECs.

For the financial year ending on 31st December 2015, the total amount paid in fees in the context of these assignments was € 133,050.99 (excl. VAT).

4.10.9.6 Entities charged with financial services

Euroclear Belgium NV is tasked with the company's financial service.

Carrying out this financial service incurred a total cost of € 6,157.13 in 2015. This fee includes both a fixed fee per year and a variable fee per dividend paid out for non-registered shares.

4.10.10 Activities in the field of research and development

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

4.10.11 Conflicts of Interest

Pursuant to article 523 of the Companies' Code, every director who, directly or indirectly, holds a financial interest that conflicts with a decision or action that comes under the authority of the Board of Directors, is required to report this to the other members of the Board, nor may he or she take part in the Board's deliberations.

Pursuant to article 524 of the Companies' Code, any decision or action that relates to the relations between the Company and an associated company (with the exclusion of subsidiaries) and between subsidiaries of the Company and an associated company (other than a subsidiary), is to be the subject of a special report that is required to be drafted by three independent directors, assisted by an independent specialist.

During the 2015 financial year, the Board of Directors had not to apply the procedure provided for in articles 523 and 524 of the Companies' Code.

Pursuant to article 37 of the RREC Act, the FSMA must be informed in the event of a transaction that would result in any gain for the parties described in the article. This means that the Company must state the interest of the transaction, as well as the fact that the planned transaction falls within its area of investment. These transactions must also be conducted on market terms are required to be made public immediately. Pursuant to article 49, §2 of the RREC Act, the fair value, as established by the value in a transaction with the parties described in article 37, will be the maximum price when the Company is acquiring property and the minimum when the Company is disposing of property. These transactions must also be explained in the annual report.

During the financial year, the Company conducted the following transactions pursuant to article 37 of the Regulated Real Estate Companies Act of 12th May 2014:

- In the context of the optional dividend offered to Montea shareholders, on 12th June 2015, the implementation of a capital increase took place in the amount of € 4,956,680.94 through the issue of 243,213 shares[85].

- In the context of the further diversification of its financing arrangements, Montea issued two bond loans via a private placement on 30th June 2015, for a total amount of € 50 million. The first of these bond loans was for € 25 million and has a term of twelve years, maturing on 30th June 2027. The other was for € 25 million, with a term of ten years, maturing on 30th June 2025.[86].

There are no significant arrangement and/or agreements with major shareholders, clients, suppliers or other parties on the grounds of which individuals have been selected as members of board, managerial or supervisory bodies, or as members of the company management.

[85] For more information we refer to the press release of 12/06/2015 or www.montea.com.
[86] For more information we refer to the press release of 26/06/2015 or www.montea.com.

There are no potential conflicts of interest between the issuing institution and members of the board, managerial or supervisory bodies and any member of executive management.

The are no details of any restrictions to which members of the board, managerial or supervisory bodies and any member of executive management have agreed with, with regard to disposing of the securities from the issuing institution in their possession within a specific period.

4.10.12 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 quota.

This provision is without prejudice to the obligation to notify in case the legal thresholds[87] of 5%, 10%, 15%, etc., each time at intervals of 5% points, are reached or fall below that threshold.

4.10.13 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)[88]

4.10.13.1 Capital structure (on 31 December 2015)

The capital, € 187,735,233, is represented by 9,211,701 shares. There are no preference shares. Each one of these shares is entitled to one vote (except for the company’s treasury shares of which the voting right is suspended) at the General Meeting and hence these shares represent the denominator for purposes of notification in the event of reaching, exceeding or falling short of the statutory or legal thresholds (transparency regulations). The voting right is not restricted either by law or statutorily.

4.10.13.2 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 amendments of the articles of association[89].

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

[88] 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.

[89] See also Article 25 of the articles of association of Montea Comm. VA concerning the decision-making.

Montea Management NV, for the performance of the contract as Manager for and on behalf of the company, is represented by a permanent representative, Mr Jo De Wolf, 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 RREC Act.

In the event of the loss on the part of the members of the management bodies or the Manager's day-to-day management body of the required professional reliability or required experience, as required by the RREC Act (fit and proper), the Manager or the auditor(s) must convene a general meeting of Montea Comm. VA, with the point on the agenda to deal with the recording of the loss of these requirements and the measures to be taken.

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.

4.10.13.3 Authorised capital

The Business Manager has express permission to increase the corporate capital, on one or more occasions, up to a maximum amount of € 178,414,971.96, and in accordance with the terms set by the Manager and in line with the rules of the Companies' Code and the RREC Act. The Manager was authorised to do so by the extraordinary general meeting held on 30th September 2014. Pursuant to article 7 of the articles of association of Montea Comm. VA, this consent was granted for a period of 5 years (until 21st October 2019). These capital increases may be in cash, by contribution in kind or by the conversion of reserves.

The extraordinary general meeting held on 30th September 2014 also authorised the Manager to proceed, for a period of three years, with one or more capital increases in the event of a public takeover bid, under the terms provided for in article 607 of the Companies' Code and subject to compliance, where appropriate, with the irreducible allocation right provided for in the RREC legislation.

4.10.13.4 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 decision[90] to implement a programme to buy back its own shares up to a maximum of € 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 € 636,329. In line with IFRS rules, a separate reserve for this amount was established in the consolidated accounts. While on 1st January 2015 Montea still owned 23,346 of its own shares, by 31st December 2015 that figure had fallen to 7,246 as the result of options being exercised by beneficiaries under the option plan in 2015.

4.10.13.5 Contractual conditions

There are no significant agreements to which Montea is party and that enter into force, can be modified or expire, when the control of the issuer would change as a result of a public take-over bid, except for the provision in the issue conditions of the bonds (*Terms and Conditions*) that were issued in 2013, 2014 and 2015.

[90] See press release of 17 September 2012.

5. Montea on the stock exchange

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 property 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 31/12/2015 (EUR 39.20), Montea shares were 55.4% above the value of the net assets per share (excl. IAS39).

Taking account of the closing price on 31/12/2015, Montea shares rose by 14.0% (14.8% if the average price over 2015 and 2014 is taken into account.

Montea's board of directors will propose to the General Meeting that a gross dividend of € 2.03 per share be paid. This corresponds with a net dividend of € 1.4819 per share[91].

Key figures for the Montea share:

STOCK MARKET PERFORMANCE	31/12/2015	31/12/2014
Share price (€)		
At closing	39,20	34,39
Highest	40,00	34,40
Lowest	33,08	30,00
Average	36,68	31,94
Net asset value / share (€)		
Incl. IAS 39 (*)	22,60	20,94
Excl. IAS 39 (*)	25,22	23,76
Premium / (discount) (%)	**55,4%**	**44,8%**
Dividend return (%)	**5,2%**	**5,7%**
Dividend (€)		
Gross	2,03	1,97
Net	1,48	1,48
Volume (number of securities)		
Average daily volume	4.111	3.929
Volume of the period	1.153.944	1.001.779
Number of shares	**9.211.701**	**8.754.378**
Market capitalisation ('000 euro)		
Market capitalisation at closing	361.099	301.063
Ratios (%)		
Velocity	12,9%	12,4%

Return on Dividend (%): Gross dividend divided by the share price at the end of the period.
Velocity: Volume over the period divided by the number of shares.

91 The increase in the withholding tax to 27% on dividends of regulated real estate companies was implemented by amending art. 269 of the Income Tax Code 1992 pursuant to art. 91-94 of the Law of December 26, 2015 by adopting measures for the strengthening of job creation and purchasing power of 26/12/2015 (30/12/2015 Belgian Official Gazette). This change will apply to income allocated or made payable as from 01.01.2016. Previously the withholding tax on dividends amounted 25%.

5.2 Shareholder status of Montea per 31 December 2015

Number of issued shares	**9,211,701**	
Family De Pauw	1,875,063	20.36%
Belfius Insurance Belgium	999,837	10.85%
Federale Verzekeringen	894,265	9.71%
Patronale Life	552,510	6.00%
Family De Smet	287,381	3.12%
Own shares	7,246[92]	0.087%
Public (Free float)	4,595,399	49.89%

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 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

There are no known agreements that, when entering into force at a later date, could result in a change of control over the issuer.

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 20.36% 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, as already mentioned in the annual report, director and chairman of the board of directors of the statutory manager Montea Management NV. Peter Snoeck is an executive director, as already mentioned in the annual report. Peter Snoeck is the husband of Dominika De Pauw.

[92] The voting rights of the own shares of the company are suspended.

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 3.128% of the voting rights of Montea Comm. VA.

The Family De Smet acts in concert 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

- 25/02/2016 Annual results 31/12/2015
- 17/05/2016 Annual General Meeting of shareholders
- 19/05/2016 Interim statement – results per 31/03/2016
- 20/05/2016 Ex date
- 23/05/2016 Record date
- 24/05/2016 Pay date (rights distribution)
- 18/08/2016 Half-yearly financial report – results per 30/06/2016
- 10/11/2016 Interim statement – results per 30/09/2016

6. Corporate social responsibility

As a benchmark player in the logistics 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.

6.1 Further implementation of the "Blue Label" plan

Montea has implemented, together with its outside specialists, its own "**Blue Label**". 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-aware and proactive maintenance management;
- the restriction of CO_2 emissions;
- the creation of comfort and safety in the working environment;
- risk management;
- monitoring and improving energy consumption;
- managing documents and making them available to customers and partners;
- the constant screening of the property portfolio and related activities.

6.2 Montea promotes sustainability with Lean and Green Star (Award & Star)

As a member of VIL (Vlaams Instituut voor de Logistics – Flemish Logistics Institute), Montea supports the Lean and Green sustainability programme. Lean and Green encourages and supports companies in making dramatic reductions in their CO_2 emissions. Given that Montea is closely involved in sustainability and making its own property portfolio sustainable, this was the ideal time to join this project.

On 10th December 2013, Montea was presented with the **Lean and Green Award** by Minister Joke Schauvliege for its efforts in making its property portfolio sustainable.

On 8th May 2015, Montea became the first Belgian property investors to receive the **Lean & Green Star** in recognition for the effective reduction of CO_2 emissions in its Belgian portfolio by 26%. The Lean & Green Star certificate was officially presented on 16th June 2015.

As a result of obtaining this additional independent recognition, Montea is able to pass on its sustainability goals to its partners (contractors, architects, suppliers, etc.), as well as to its tenants.

At Montea, as the owner of logistics buildings, we are confident that we can function as a catalyst in promoting the Lean and Green programme to tenants and in so doing develop a consistent sustainability concept. DHL Freight, VDAB, Coca-Cola Enterprises Belgium and Norbert Dentressangle are tenants of Montea, which have also received the Lean and Green Award.

Sustainability efforts already made in Montea's Belgian property portfolio:

- 156,000 m² of logistics space has been fitted with energy monitoring systems for the day-to-day evaluation of tenants' energy usage;
- A detailed energy scan has already been carried out in 80% of the existing buildings. As a result, sustainable investments have been made (increased insulation values, reduced ventilation losses, increased lighting output, more efficient HVAC systems, etc.);
- 136,000 m² of space is equipped with solar panels;
- 108,000 m² of buildings have been purchased or built in which the K-value is lower than K35 (legal maximum is K40);
- 46,000 m² of buildings have been demolished or sold to be replaced by sustainable new-build projects.

6.3 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:

6.3.1 Energy management

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

In 2012 the programme regarding energy scans was further optimised, along with the implementation of Life Cycle Analyses. On the basis of these detailed analyses and additional energy calculations a complete study was performed for the sites in Mechelen and Puurs.

This study enabled Montea to draw up a full investment programme with these items:
- investments with an immediate impact on energy;
- investments in consultation with the tenant based on its operations;
- refurbishment and replacement investment objectives;
- investments from a commercial point of view.

With this in-depth study Montea confirms its focus on optimising the sustainability and quality of its real estate portfolio.

The sites at Erembodegem, Mechelen, Milmort, Heppignies, Bornem, Herentals, Puurs Schoonmansveld 18 and Grimbergen are equipped with a monitoring system. This monitoring enables Montea to monitor its energy management closely and to make adjustments when there is extreme consumption.

6.3.2 Solar panels

Based on the monitoring described above, the total amount of energy produced by the PV installations meets expectations: 4.5 MWh was generated by the solar panels, saving 1,100 tons of CO_2 emissions.

Depending on their operational requirements, Montea's tenant use up to 90% of the solar energy produced. Each quarter, Montea informs its tenants about the solar energy produced, solar energy consumed locally and the financial benefit.

In 2015, 35% of green power was used out of the total amount of electricity consumed for the Belgian property portfolio.

6.3.3 Facility Management programme

At the end of 2011, a Facility Management programme was introduced. This programme is an internal management system and also provides tenants with access to a secure "My Montea" web portal. The Facility Management programme features the following applications:

- by using the "work order" module in "My Montea", Montea is able to monitor and track its work orders and their due dates accurately and then generate reports for each site, project and, if required, each tenant.

- tenants can also use our "My Montea" web portal to register and monitor all messages/problems/queries themselves so that the service and communication relating to buildings management can run clearly and smoothly.

- for 4 sites the maintenance module can be used so that maintenance purchase orders relating to these buildings are generated automatically and the maintenance can be tracked in detail. In 2013, a maintenance plan was implemented for all sites.

Implementation of the Facility Management programme fits in perfectly with the "Blue Label" plan and the transparency that Montea wishes to give its tenants and partners.

6.3.4 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 2015

7.1 Consolidated balance sheet as of 31 December 2015[93]

		CONSOLIDATED BALANCE SHEET (EUR x 1.000)	Note	31/12/2015 Conso	31/12/2014 Conso	31/12/2013 Conso
I.		**NON-CURRENT ASSETS**		**517.686**	**421.821**	**320.347**
	B.	Intangible assets	19	214	125	114
	C.	Investment properties	20	506.934	414.005	312.545
	D.	Other tangible assets	21	10.500	7.655	7.651
	G.	Trade receivables and other non-current assets	23	38	37	37
II.		**CURRENT ASSETS**		**31.999**	**32.046**	**19.450**
	A.	Assets held for sale	24	0	3.775	0
	D.	Trade receivables	25	7.691	12.453	6.978
	E.	Tax receivables and other current assets	26	4.069	1.586	638
	F.	Cash and cash equivalents	27	4.930	4.250	4.092
	G.	Deferred charges and accrued income	28	15.309	9.981	7.741
		TOTAL ASSETS		**549.685**	**453.867**	**339.797**
		TOTAL SHAREHOLDERS' EQUITY		**208.256**	**183.438**	**138.967**
I.		**Shareholders' equity attributable to shareholders of the parent company**		**208.157**	**183.338**	**138.869**
	A.	Share capital	29	185.288	176.061	137.537
	B.	Share premiums	29	20.893	14.650	1.771
	C.	Reserves	30	-22.035	-13.480	-16.410
	D.	Net result of the financial year	31	24.010	6.107	15.970
II.		**Minority interests**	**32**	**100**	**100**	**98**
		LIABILITIES		**341.429**	**270.429**	**200.831**
I.		**Non-current liabilities**		**291.354**	**202.019**	**158.798**
	B.	Non-current financial debts	34	267.165	177.393	144.517
		a. Credit institutions		156.333	116.000	111.333
		b. Financial leasings		774	1.423	3.177
		c. Other		110.058	59.970	30.007
	C.	Other non-current financial liabilities	35	24.188	24.627	13.830
	E.	Other non-current liabilities	36	0	0	452
II.		**Current liabilities**		**50.075**	**68.410**	**42.032**
	B.	Current financial debts	34	27.491	50.752	28.529
		a. Credit institutions		26.667	49.000	26.667
		b. Financial leasings		824	1.752	1.862
		c. Other		0	0	0
	C.	Other current financial liabilities		0	0	0
	D.	Trade debts and other current debts	37	7.915	7.540	3.365
		a. Exit taks		1.455	1.455	314
		b. Other		6.460	6.085	3.051
	E.	Other current liabilities	37	3.993	788	2.610
	F.	Accrued charges and deferred income	38	10.677	9.330	7.528
		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**549.685**	**453.867**	**339.797**

93 There has been no change of significance in the financial or trading position of the group since the end of the last reporting period for which either controlled financial information or interim financial information has been published.

7.2 Consolidated statement of comprehensive income before profit appropriation as of 31 December 2015[94]

	CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR x 1.000)	Note	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
I.	Rental income	1	35.438	27.908	24.038
II.	Write-back of lease payments sold and discounted		0	0	0
III.	Rental-related expenses	2	-1.148	-1.089	-379
	NET RENTAL RESULT		**34.290**	**26.819**	**23.659**
IV.	Recovery of property charges		0	0	0
V.	Recovery of charges and taxes normally payable by tenants on let properties	3	4.832	4.322	3.910
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	-5.824	-5.041	-4.803
VIII.	Other rental-related income and expenses	4	1.565	1.234	1.244
	PROPERTY RESULT		**34.864**	**27.334**	**24.010**
IX.	Technical costs	5	-114	-83	-14
X.	Commercial costs	6	-233	-130	-111
XI.	Charges and taxes of un-let properties	7	-102	-297	-255
XII.	Property management costs	8	-839	-663	-244
XIII.	Other property charges	9	-43	-9	-83
	PROPERTY CHARGES		**-1.332**	**-1.183**	**-708**
	PROPERTY OPERATING RESULT		**33.532**	**26.151**	**23.302**
XIV.	General corporate expenses	10	-4.037	-3.339	-3.573
XV.	Other operating income and expenses	11	-58	9	163
	OPERATING RESULT BEFORE PORTFOLIO RESULT		**29.437**	**22.821**	**19.892**
XVI.	Result on disposal of investment properties	12	5	176	1.107
XVII.	Result on disposal of other non-financial assets		0	0	0
XVIII.	Changes in fair value of investment properties	13	2.470	1.457	-4.130
XIX.	Other portfolio result		0	0	0
	OPERATING RESULT		**31.912**	**24.453**	**16.870**
XX.	Financial income	14	581	343	49
XXI.	Net interest charges	15	-8.556	-7.521	-6.219
XXII.	Other financial charges	16	-41	-48	-36
XXIII.	Change in fair value of financial assets & liabilities	17	438	-10.796	5.497
	FINANCIAL RESULT		**-7.578**	**-18.023**	**-708**
XXIV.	Share in the result of associates and joint ventures		0	0	0
	PRE-TAX RESULT		**24.334**	**6.431**	**16.161**
XXV.	Corporation tax	18	-324	-324	-193
XXVI.	Exit tax		0	0	0
	TAXES		**-324**	**-324**	**-193**
	NET RESULT		**24.010**	**6.107**	**15.969**
	Attributable to:				
	Shareholders of the parent company		24.010	6.105	15.970
	Minority interests		0	2	-2
	Number of weighted number average of shares before the period		9.000.882	7.781.658	6.536.507
	NET RESULT PER SHARE / weighted number average of shares (EUR)		**2,67**	**0,78**	**2,44**

94 The consolidated summary of the realised and non-realised results before the distribution of profit at 31st December takes account of 9,211,701 shares that are entitled to profit from the result of the 2015 financial year. The total number of shares was also 9,211,701 at the end of the 2015 financial year.
Montea reports in the consolidated summary of the realised and non-realised results before the distribution of profit at 31st December 2015 the net current result, the net current result excl. IAS 39 per share and the net result per share, based on the number of shares with profit-sharing entitlement in the result.

7.3 Consolidated comprehensive income before the distribution of profit as of 31 December 2015

ABBREVIATED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR x 1.000)	31/12/2015 12 months	30/06/2015 6 months	31/12/2014 12 months
Net result	**24.010**	**10.834**	**6.107**
Other items of the comprehensive income	**-5.230**	**-3.633**	**-8.267**
Items taken in the result	**-5.443**	**-3871**	**-8204**
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	-5.443	-3.871	-8.204
Changes in the effective part of the fair value of authorized cash flow hedges	0	0	0
Items not taken in the result	**213**	**238**	**-63**
Impact of changes in fair value of solar panels	213	238	-63
Comprehensive income	**18.780**	**7.201**	**-2.160**
Attributable to:			
Shareholders of the parent company	18.780	7.201	-2.160
Minority interests	0	0	0

7.4 Consolidated cash flow summary as of 31 December 2015

CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	**4.250**	**4.092**	**7.007**
Net result	**24.010**	**6.107**	**15.969**
Financial cash elements (not dedectable of the net profit) to become the operating result	**8.016**	**7.226**	**6.206**
Received interests	-581	-343	-49
Payed interests on finances	8.597	7.569	6.255
Received dividends	0	0	0
Taxes (dedected from the net result) to become the operating result	**324**	**324**	**193**
Non-cash elements to be added to / deducted from the result	**-2.774**	**9.299**	**-2.448**
Depreciations and write-downs	**139**	**135**	**220**
Depreciations/write-downs (or write-back) on intangible and tangible assets (+/-)	196	127	154
Write-downs on current assets (+)	2	9	143
Write-back of write-downs on current assets (-)	-59	-1	-77
Other non-cash elements	**-2.913**	**9.164**	**-2.668**
Changes in fair value of investment properties (+/-)	-2.470	-1.457	4.130
IAS 39 impact (+/-)	-438	10.796	-5.497
Other elements	0	0	
Realized gain on disposal of investment properties	-5	-176	-1.107
Provisions	0	0	0
Taxes	0	0	-193
NET CASH FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL REQUIREMENTS	**29.576**	**22.955**	**19.919**
Change in working capital requirements	**1.880**	**-4.509**	**-3.846**
Movements in asset items	**-3.047**	**-8.664**	**-7.363**
Trade receivables	1	0	23
Other long-term non-current assets	4.762	-5.475	-1.324
Other current assets	-2.483	-948	206
Deferred charges and accrued income	-5.327	-2.240	-6.269
Movements in liability items	**4.927**	**4.155**	**3.517**
Trade debts	-2.487	3.863	-112
Taxes, social charges and salary debts	2.861	312	293
Other current liabilities	3.205	-1.822	2.171
Accrued charges and deferred income	1.347	1.802	1.165
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	**31.456**	**18.446**	**23.080**
Investment activities	**-85.177**	**-104.335**	**-31.420**
Acquisition of intangible assets	-180	-44	-18
Investment properties and development projects	-85.843	-112.086	-43.623
Other tangible assets	-93	-129	-26
Solar panels	-2.841	0	-4
Disposal of investment properties	3.780	7.924	5.350
Disposal of superficy	0	0	6.901
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B)	**-85.177**	**-104.335**	**-31.420**
FREE CASH FLOW (A+B)	**-53.721**	**-85.888**	**-8.340**
Change in financial liabilities and financial debts	**66.073**	**55.298**	**19.284**
Increase (+)/Decrease (-) in financial debts	66.511	55.298	19.282
Increase (+)/Decrease (-) in other financial liabilities	-438	0	2
Increase (+)/Decrease (-) in trade debts and other non-current liabilities	0	0	0
Change in other liabilities	**0**	**-452**	**-208**
Increase (+)/Decrease (-) in other liabilities	0	-452	-208
Increase (+)/Decrease (-) in other debts	0	0	0
Change in shareholders' equity	**595**	**38.426**	**-438**
Increase (+)/Decrease (-) in share capital	9.227	38.525	9.197
Increase (+)/Decrease (-) in share premium	6.243	12.879	1.239
Increase (+)/Decrease (-) in consolidation differences	0	0	0
Dividends paid	-15.262	-12.978	-10.874
Increase (+)/Decrease (-) in reserves	387	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
Financial cash elements	**-8.016**	**-7.226**	**-6.206**
NET FINANCIAL CASH FLOW (C)	**58.651**	**86.046**	**12.432**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A+B+C)	**4.930**	**4.250**	**4.092**

7.5 Summary of the variation in the consolidated equity capital and reserves as of 31 December 2015

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 31/12/2013	**137.537**	**1.771**	**-6.801**	**15.971**	**-9.609**	**98**	**138.967**
Elements directly recognized as equity							
Capital increase	38.524	12.879					51.403
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties			8.204		-8.204		0
Positive change in value of solar panels (IAS 16)			-63				-63
Own shares							0
Own shares held for employee option plan							0
Minority interests						2	2
Corrections							0
Subtotal	**176.061**	**14.650**	**1.340**	**15.971**	**-17.813**	**100**	**190.309**
Dividends			-12.978				-12.978
Result carried forward			15.971	-15.971			0
Result for the financial year				6.107			6.107
							0
ON 31/12/2014	**176.061**	**14.650**	**4.333**	**6.107**	**-17.813**	**100**	**183.438**
Elements directly recognized as equity	**9.227**	**6.243**	**6.044**	**0**	**-5.443**	**0**	**16.071**
Capital increase	9.227	6.243					15.470
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties			5.443		-5.443		0
Positive change in value of solar panels (IAS 16)			213				213
Own shares			388				388
Own shares held for employee option plan							0
Minority interests							0
Corrections							0
Subtotal	**185.288**	**20.893**	**10.377**	**6.107**	**-23.256**	**100**	**199.508**
Dividends			-15.262				-15.262
Result carried forward			6.107	-6.107			0
Result for the financial year				24.010			24.010
ON 31/12/2015	**185.288**	**20.893**	**1.222**	**24.010**	**-23.256**	**100**	**208.256**

(1) + (2) The total of the reserves shown in the balance sheet under "C. Reserves" consist of the "Reserves (1)" and the "Deduction Right of transfer taxes and charges (2)."

For more information about the table above, please see Notes 29, 30, 30.1, 30.2, 31 and 32.

7.6 Notes to the consolidated financial statements as of 31 December 2015

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 investment properties (including the projects) and financial instruments are booked at fair value. The other items of the consolidated financial accounts are drawn up based on historic cost. When the figures are indicated in thousands of euro, there may be slight rounding-off differences.

7.6.1.2 Consolidation principles

Subsidiaries[95]

Subsidiaries are entities over which the company exercises control.

A company has control over another company when it is exposed to, or holds rights on, variable remunerations of its involvement in that company, and has the possibility to influence those remunerations, based on its power.

IFRS 10 requires that there can only be a question of control if the 3 conditions below are met cumulatively:
- “power” over subsidiaries;
- exposure to the rights to the net income / net outgoings as the result of their influence on their subsidiaries; in other words that the “investor” is exposed to – or has arrangements about – the variable (net) revenue (both positive and negative) from involvement with the “investee” (subsidiaries).
- the possibility to use its power over its subsidiaries in order to influence net income / net outgoings, in other words that the “investor” can actually exercise the existing rights to realise the (net) revenue.

The annual accounts of the subsidiaries are included in the consolidated annual accounts from the date on which the company began exercising control until the date it relinquished control. Where necessary, the valuation rules of the subsidiaries will be adjusted to guarantee consistency with the principles adopted by the group.

Except for subsidiaries that were merged during the financial year, the annual accounts of the subsidiaries relate to the same accounting period as those of the consolidating company. The minority interests are interests in the subsidiaries that are held neither 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").

[95] The companies included in the consolidation and with their proper participation are: Montea Comm. VA, Montea SCA, SCI Montea France (100%), SCI 3R (95%),SCI Actipole Cambrai (100%), SCI Sagittaire (100%), SCI Saxo (100%), SCI Sévigné (100%), SCI Socrate (100%), Rumbold Three NV (100%), Brucor Logistics NV (100%), SFG BV (100%), Montea Nederland NV (100%), Montea Almere NV (100%), Montea Rotterdam NV (100%), Montea Oss NV (100%), Montea Beuningen NV (100%), Montea ‘s Heerenberg NV (100%). The % of the companies held by Montea Comm.VA in 2014 are the same, with exception of: Montea Rotterdam NV (100%), Montea Oss NV (100%), Montea Beuningen NV (100%), Montea ‘s Heerenberg NV (100%), due to the fact that these companies were not founded. We also refer to section 8.1.7 of this annual report. With the exception of Montea Management NV, statutory manager of Montea Comm.VA, all companies listed under 8.1.7, are included in the consolidation.

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. Except for assessments with regard to defining the fair value of the investment properties, the solar panels and the derivatives, as of 31 December 2015, 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, Jones Lang LaSalle BVBA, Marnixlaan 23, 1000 Brussel makes 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 capitalization method and 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 (as defined in IFRS 13) is the price that would be received on the sale of the asset or paid to transfer an obligation in a normal transaction between market parties on the evaluation date.
The fair value must also reflect current lease contracts, current cashflows and reasonable assumptions in relation to expected rental income and costs. The sale of a property investment is usually subject to the payment to the public authorities of registration fees or added value tax. Regarding the extent of these registration fees, the Belgian Association of Asset Managers (BEAMA) published on 8th February 2006 a notice in this regard. After analysing a large number of transactions, the conclusion was reached that the impact of the acquisition costs on major investment properties that exceed a value of € 2,500,000 is limited to 2.5%. The investment value corresponds with the fair value, plus 2.5% acquisition charges (for investment properties that exceed a value of € 2,500,000).

The fair value is thus to be calculated by dividing the value less legal charges by 1.025. Items below the threshold of € 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 transfer rights and costs on hypothetical transfer of the investment property is shown as a separate section of shareholders' equity (as part of the item I.C. Reserves). The net change in fair value of investment property is shown in the income statement under the section XVIII.

7.6.2.2 Development projects

Property to be constructed or developed for future use as investment property is recorded under the heading "investment properties" 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 non-current assets

All tangible non-current assets which neither meet the definition of investment property, nor the definition of development project have been catalogued under this section. Other tangible non-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 non-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%

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, in line with revenue from green power certificates, at 20 years in Flanders, 10 years in Brussels and 15 years in Wallonia.

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.

Montea assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset.
When the carrying amount of an asset exceeds the recoverable amount, an impairment loss is recognized to bring the carrying amount of the asset back to the recoverable amount.

The recoverable amount of an asset is defined as the highest fair value minus selling costs (assuming a voluntary sale) or the value in use (based on the present value of the estimated future cash flows). The regarding resulting impairments are charged to the income statement.

The company value is the constant value of expected future cash flows. To determine the value in use, the estimated future cash flows are discounted at an interest rate before tax, which reflects current market rates and the specific risks related to the asset.

For assets that do not generate cash, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Previously recognized impairment loss is reversed through the income statement if a change has occurred in the estimate used to determine the recoverable amount of the asset since the recognition of the last impairment loss.

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 non-current assets

Financial non-current assets are valued at fair 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 property experts, is included in the section "Reserve for the impact on fair value of estimated transfer rights and costs on hypothetical 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 results carried forward 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 and provided that this outflow can be determined in a reliable way. 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 (a "straight line"). Indemnification for early termination of lease is immediately included in the income statement.

Revenues related to the solar panels (green power certificates and electricity generated) are recognized at the time of receipt of such income in accordance with IAS18. The principles of IAS20 are also applied. There are no green power certificates that were not sold at the end of the financial year. These green power certificates are paid by the government and not by the energy suppliers.

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 result 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, such as materials, construction work by contractors, architect's fees and remuneration of other potential advisors etc. are capitalized;
- 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 are 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 RREC. These include general administrative costs, staff costs for general management, and depreciation of assets used for general management.

7.6.2.12 Financial restult

The financial result consists on the one hand of interest costs on loans and associated costs, and investment income, and on the other hand of positive and negative fair value variations of hedging instruments. Interest income and costs are recognised pro rata temporis in the income statement. Potential dividend income is booked in the income statement on the day the dividend is granted.

7.6.2.13 Taxation and exit tax

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 levied on the profit and on the tax-free reserves as the result of a merger, split, contribution in kind or transfer of a regulated real estate company with a company that is not a regulated real estate company[96].

If the latter is incorporated for the first time in the consolidation of the Group, a provision for exit tax is included together with a revaluation value equal to the difference between the value with costs for the buyer (investment value minus all sales-related costs such as registration and notary fees) 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 Montea 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 tax 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 concludes loans with financial institutions with a variable interest rate. The company 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 to a large extent 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.

[96] The exit tax is the tax levied on the difference between the fair value and the book value and on the tax-free reserves and is 16.5% + crisis tax.

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 entirely 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

7.6.2.16.1 New and changed standards and interpretations applied by the Group

The Group applies the same IFRS standards as in previous years, with the exception of a number of new standards and interpretations that the Group applied for the first time from 1st January 2015.

- IFRIC 21 Levies, in effect from 17th June 2014
- Annual improvements to IFRSs, 2011-2013 cycle (published in December 2013), in effect from 1st January 2015

IFRIC 21 Levies charged by Public Authorities

IFRIC 21 states that an entity must recognise an obligation regarding a levy as soon as the activity that according to the applicable legislation leading to the levy is carried out. It also states that if exceeding a specific threshold leads to a levy, there is no obligation to pay the levy until such time as the threshold indicated has been exceeded. The interpretation applies to financial periods that begin on or after 17th June 2014 and must be applied retrospectively. Earlier application is permitted.

Annual improvements to IFRSs, 2011-2013 cycle

These improvements to the standards and interpretations for the 2011-2013 cycle are designed to clarify the following texts.

- IFRS 3: Exclusions from the scope of joint ventures stated in IFRS 3
- IFRS 13: Valuation of the fair value of a portfolio of financial assets and financial obligations on a net basis.
- IAS 40: Defines whether the entity is required to apply IFRS 3 on acquiring a property investment in a business combination.

The improvements apply to financial periods beginning on or after 1st January 2015.

Published standards not yet in effect

The standards and interpretations stated below are those that have already been published, but which had not yet come into effect on the date when the annual accounts of the entity were published.

- IFRS 9 Financial instruments[97], applicable from 1st January 2018. At present the estimated impact of this new standard is minimal.
- Improvements to IFRS 10, IFRS 12 and IAS 28 – Investment institutions: Application of consolidation exception, applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.
- Improvements to IFRS 11 Joint Arrangements: Processing the acquisition of interests in joint operations, applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.
- IFRS 15 Revenue from contracts with customers, applicable from 1st January 2018. At present the estimated impact of this new standard is minimal.
- Improvements to IAS 1 Presentation of financial statements – Initiative on notes, applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.
- Improvements to IAS 16 Tangible fixed assets and IAS 38 Intangible fixed assets: Clarification of acceptable depreciation methods, applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.
- Improvements to IAS 16 Tangible fixed assets and IAS 41 Agriculture: Fruit-bearing plants, applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.
- Improvements to IAS 19 Employee benefits: Defined pension benefits Employee contributions, applicable from 1st February 2015. At present the estimated impact of this new standard is minimal.
- Improvements to IAS 27 Separate financial statements: Equity method in separate financial statements, applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.
- Annual improvements to IFRSs, 2010-2012 cycle (published in December 2013), applicable from 1st February 2015. At present the estimated impact of this new standard is minimal.
- Annual improvements to IFRSs, 2012-2014 cycle (published in September 2014), applicable from 1st January 2016. At present the estimated impact of this new standard is minimal.

7.7 Notes to the consolidated financial statements as of 31 December 2015

7.7.1 Comments to the consolidated balance sheet and income statement

Note 1: Rental income

Montea leases its property investments based on lease agreements. This income is gross rental income generated by these lease agreements and appears under this heading.

The table below shows a summary of rental income over the whole year:

RENTAL INCOME (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Rent	33.939	27.349	23.329
Guaranteed rental income	0	0	0
Rental discounts	0	0	0
Rental incentives	0	0	0
Compensation for early breach rental contracts	1.499	560	709
Compensation financial leasing	0	0	0
TOTAL	**35.438**	**27.908**	**24.038**

[97] Not yet accepted by the EU as of 31st December 2015.

Rental income rose in 2015 by 26.98% to € 35,438K. This increase was mainly the result of the rising rental income in Belgium (€ 17,547K in 2015 compared with € 15,130K in 2014 or an increase of € 2,417K or +15.97%), as well as the new rental income in the Netherlands (€ 7,136K in 2015 compared with € 2,436K in 2014 or an increase of € 4,700K or +192.94%).

The net increase in rental income in Belgium was due mainly to the result of:

- the one-off revenue of € 1.5 million resulting from the termination of the contract with Neovia Logistics (see “Compensation for lease contracts terminated early”);
- the entire annual income of the sites Brucargo 763 (Zaventem) and sites the sites at De Hulst "Neovia" and "Dachser";
- the loss of rental income resulting from the sale of the sites in Meer (2015) and Puurs (2014).

The increase in rental income in the Netherlands is the net result of:

- the full annual revenue from the new site in Waddinxveen (Delta Wines), Oss (Vos Logistics) and Beuningen (Depa Disposables) purchased in 2014;
- the newly purchased sites in ’s Heerenberg (JCL), Apeldoorn (HSL) and Tilburg (Groep Versteijnen);
- the rental income from the site in Heerlen handed over in the first quarter of 2015 (leased to Doc Morris).

The rental income rose in 2014 by 16.1% to € 27,908K, largely determined by the increase in rental income in Belgium by € 2.92 million. The rest of the increase is explained by the increase in rental income in France and the Netherlands by € 0.95 million.

The increase in Belgium is mainly due to the full year impact of the rental income from investments in the year 2012 (which consisted mainly of rental income from the purchased site DHL Global Forwarding at Brucargo), the rental income from the investments during the year 2013 (Geodis & St Jude Medical at Brucargo, SAS Automotive and DSV Solutions in Ghent Seaport), a total of € 0.40 million regarding newly concluded rental income (mainly on the site of Mechelen, a loss of € 0.38 million in rental income by the sale of the sites in Laeken and Vilvoorde and a total of € 0.85 million for loss of income, determined by the vacancy at the site in Herentals, Vorst and Mechelen.

The increase in France and the Netherlands is mainly due to the full year impact of the rental income from investments in 2012 (Office Depot in St Martin de Crau and Unéal Champs Libre in St Laurent Blangy) and rental income of A-ware Food Group in Almere (Netherlands).

The table below shows a detail of the rental income per site:

RENTAL INCOME (EUR x 1.000)		31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Belgium		**17.547**	**15.130**	**13.037**
Aalst	Tragel 48-58	2.013	1.997	1.952
Aartselaar	Helstraat 47	0	0	0
Berchem	Vosstraat 200	0	0	0
Bornem	Industrieweg 4-24	103	413	418
Grimbergen	Eppegemsestwg 31-33	1.069	253	1.012
Laken	Emiel Bockstaellaan 74	0	0	87
Moorsel	Waverstraat 3	0	0	0
Vilvoorde	Schaarbeeklei 207-213	0	0	38
Hoboken	Smallandlaan 7	100	237	235
Meer	Europastraat 28	0	358	354
Herentals	Toekomstlaan 33	0	0	440
Nivelles	Rue de la Technique 11	373	106	0
Puurs	Schoonmansveld 18	773	769	763
Erembodegem	Industrielaan 27	828	986	976
Mechelen	Zandvoortstraat 16	754	804	573
Vorst	Humaniteitslaan 292	1.225	1.050	920
Milmort	Avenue du Parc Industriel	1.000	1.059	975
Heppignies	Rue Brigade Piron	832	757	742
Puurs	Schoonmansveld 28	0	519	0
Zaventem	Brucargo 830	2.118	2.090	1.969
Zaventem	Brucargo 831	283	282	187
Gent	Evenstuk	1.077	1.069	530
Zaventem	Brucargo 763	462	77	0
Gent	Korte Mate	650	636	22
Zaventem	Brucargo 738-1	609	603	325
Willebroek	De Hulst Neovia	790	303	0
Willebroek	De Hulst Dachser	989	201	0
Damages for breach of contract		1.499	560	519
France		**10.755**	**10.342**	**10.737**
Savigny-le-Temple	Rue du Chrome 2	327	267	541
Feuqueires	Zoning Industriel du moulin	359	358	354
Bondoufle	Rue Henrie Dunant 9-11	236	236	233
Saint-Priest	Chemin de la Fouilousse	708	708	707
Cambrai	P.d. Activité Actipole	475	553	553
Roissy	Rue de la Belle Etoile 280+ 383	974	872	869
Décines	Rue a Rimbaud 1	373	374	369
Le Mesnil Amelot	Rue du Gué 4, Rue de la Grande Borne	640	738	737
Alfortville	Le Techniparc	225	233	233
Le Mesnil Amelot	Rue du Gué 1-3	492	460	477
St-Cyr en Val	Rue des Genêts 660	3.295	3.253	3.208
Marennes	La Donnière	744	829	825
Saint-Laurent-Blangy	Actipark	636	636	627
Saint-Martin-de-Crau	Ecopole	825	825	814
Saint-Priest	Parc des Lumières	446	0	0
Damages for breach of contract		0	0	190
The Netherlands	Stichtse Kant	**7.136**	**2.436**	**264**
Almere	Exportweg	1.164	1.077	264
Waddinxveen	Vollenhovermeer	983	893	0
Oss	Zilverwerf	965	295	0
Beuningen	Distributieweg	1.027	171	0
s Heerenberg	Business Park Aventis	1.404	0	0
Heerlen	Ijseldijk	1.212	0	0
Apeldoorn		319	0	0
TOTAL		**35.438**	**27.908**	**24.038**

When we take account of all the properties that have been part of the property portfolio for the past 3 years (i.e. disregarding the acquisition of new sites or divestments - total of 27 sites), the rental income is as follows (also see table):

- 2013: € 21,488K
- 2014: € 22,384K (+4.17%)
- 2015: € 21,497K (-3.96%)

The fall of 2.4% in 2015 was attributable mainly to the lower rental income at the site in Erembodegem resulting from the lower average occupancy rate and the new leases at the sites in Grimbergen and Nivelles.

RENTAL INCOME (EUR x 1.000)		**31/12/2015 12 months**	**31/12/2014 12 months**	**31/12/2013 12 months**
Belgium		**11.188**	**11.697**	**10.975**
Aalst	Tragel 48-58	2.013	1.974	1.952
Bornem	Industrieweg 4-24	103	98	418
Grimbergen	Eppegemsestwg 31-33	1.069	1.131	1.012
Hoboken	Smallandlaan 7	100	237	235
Herentals	Toekomstlaan 33	0	0	440
Nivelles	Rue de la Technique 11	373	459	0
Puurs	Schoonmansveld 18	773	769	763
Erembodegem	Industrielaan 27	828	1.029	976
Mechelen	Zandvoortstraat 16	754	830	573
Vorst	Humaniteitslaan 292	1.225	1.231	920
Milmort	Avenue du Parc Industriel	1.000	1.091	975
Heppignies	Rue Brigade Piron	832	757	742
Zaventem	Burcargo 830	2.118	2.090	1.969
France		**10.309**	**10.329**	**10.513**
Savigny-le-Temple	Rue du Chrome 2	327	345	541
Feuqueires	Zoning Industriel du moulin	359	359	354
Bondoufle	Rue Henrie Dunant 9-11	236	233	233
Saint-Priest	Chemin de la Fouilousse	708	707	707
Cambrai	P.d. Activité Actipole	475	485	553
Roissy	Rue de la Belle Etoile 280+ 383	974	927	869
Décines	Rue a Rimbaud 1	373	370	369
Le Mesnil Amelot	Rue du Gué 4, Rue de la Grande Borne	640	723	704
Alfortville	Le Techniparc	225	235	233
Le Mesnil Amelot	Rue du Gué 1-3	492	472	477
St-Cyr en Val	Rue des Genêts 660	3.295	3.240	3.208
Marennes	La Donnière	744	809	825
Saint-Laurent-Blangy	Actipark	636	636	627
Saint-Martin-de-Crau	Ecopole	825	788	814
TOTAL		**21.497**	**22.025**	**21.488**

New lease contracts were signed at 24 of the 45 sites or existing lease agreements were extended, as a result of which there were no major developments in the average rent per square metre. When signing and extending these agreements, an extraordinary use was made of an average rent-free period of 3 months. No other major incentives were given in this context.

1 site represents more than 5% of the consolidated property portfolio:

	Fair value	Client(s)
• Saint-Cyr-en-Val, Orléans	€ 37.0 million	FM Logistics

this site represents 7.7% of the total fair value of the portfolio;
(the net rental income at this site for 2015 represented € 3.3 million or 9.30% of the net rental result for 2015).

Note 2: Rental-related costs

RENTAL-RELATED EXPENSES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Rent to pay on leased assets	-1.205	-1.082	-314
Depreciations on trade receivables	-2	-9	-143
Write-back of write-downs on trade receivables	59	1	77
TOTAL	**-1.148**	**-1.089**	**-379**

The total rent to be paid on leased assets relates to the concession and building payments at the following sites: Brucargo 830, Brucargo 763-765, Brucargo 831, Brucargo 738, Ghent Evenstuk, Ghent Hulsdonk and Grimbergen.

The table below shows the annual concession and property fees per site (based on the annual amount by December 31, 2015) and their end date for Montea.

	Annual amount	**End dat**	
Grimbergen:	€ 95K	2029	
Brucargo 830	€ 513K	2062	No building fee is paid when the building is empty
Brucargo 763	€ 80K	2063	No building fee is paid when the building is empty
Brucargo 831	€ 169K	2063	No building fee is paid when the building is empty
Gent - Evenstuk	€ 136K	2043	
Gent - Hulsdonk	€ 76K	2043	
Brucargo 738	€ 133K	2064	No building fee is paid when the building is empty
Total	**€ 1.201K**		

Montea applies IAS39.59. In cases where Montea calls on external legal advise to collect the rent and/or other monies, a provision is set aside immediately for doubtful receivables. When the monies are received, a writeback for the reduction in value is recorded.

The writebacks for the reductions in value in 2015 relate mainly to a provision previously set aside for Les Hebihens at the site in Cambrai.

Note 3: Rental charges and taxes normally borne by the tenant on leased buildings and recovery of these rental charges and taxes

RENTAL CHARGES AND TAXES NORMALLY BORNE BY THE TENANT ON LET PROPERTIES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Recovery of charges and taxes normally payable by tenants on let properties	**4.832**	**4.322**	**3.910**
Reinvoicing of rental charges borne by the landlord	3.472	1.761	1.787
Reinvoicing of taxes on let properties	1.360	2.562	2.122
Charges and taxes normally borne by the tenant on let properties	**-5.824**	**-5.041**	**-4.803**
Rental charges borne by the landlord	-2.363	-2.228	-1.914
Taxes on let properties	-3.461	-2.814	-2.889
TOTAL	**-992**	**-719**	**-893**

The increase in the net impact, to € -992K, was due mainly to the vacancies at the sites in Bornem, Erembodegem and Vorst.

In the event of a vacancy, the most significant charge is the property withholding tax and whether or not insurance costs are passed on. In 2015, levies and taxes on leased premises amounted to € 3,461K (10.2% of rental income, which was € 33,939K at 31/12/2015).

Note 4: Other rental-related income and expenditure

OTHER RENTAL-RELATED INCOME AND EXPENDITURE (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Property management fee	262	240	229
Income from the solar panels	954	851	798
Other	349	143	216
TOTAL	**1.565**	**1.234**	**1.244**

The Property management fee is the contractually agreed management fee, which in the majority of contracts is a percentage of the annual rent.

Income from the solar panels consists on the one hand of the electricity generated that is charged to tenants and the network manager (8.2%) and revenue from green power certificates on the other hand (91.8%).
The revenue is recognized at the time of receipt of such income in accordance with IAS18. There are no green power certificates that were not sold at the end of the financial year. These green power certificates are paid by the government and not by the energy suppliers.

The solar panels on the buildings at the sites in Bornem, Grimbergen, Herentals, Puurs Schoonmansveld 28, Vorst, Milmort, Heppignies and Ghent Hulsdonk together generated revenue of € 954K. The increase compared with 2014 was attributable mainly to the revenue from the installation of solar panels in Milmort and Vorst and the purchase of the solar panel project at Ghent Hulsdonk.

In 2015, the heading “Other” consisted mainly of property withholding tax recovered on vacant sites recorded in previous financial years under overheads, as well as revenue from the racks at the site in Oss. Montea invested in these racks at request of the tenant and they are invoiced to the tenant on a monthly basis.

Note 5: Technical costs

TECHNICAL COSTS (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Recurring technical costs	**-113**	**-81**	**-15**
Repairs	-102	-66	-25
Compensation for overall guarantuees	0	0	0
Insurance premiums	-11	-16	10
Non-recurring technical costs	**-1**	**-2**	**1**
Major repairs	0	0	0
Claims	-1	-2	1
TOTAL	**-114**	**-83**	**-14**

The increase in technical costs in 2015 was due mainly to the refurbishment costs of the sites where lease contracts came to an end.

Note 6: Commercial costs

COMMERCIAL COSTS (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Brokers' fees	-190	-82	-33
Publicity	0	-9	-2
Lawyer fees and legal expenses	-43	-40	-76
TOTAL	**-233**	**-130**	**-111**

Commercial costs are mainly brokers' fees in negotiating new leases.

Note 7: Costs for unleased buildings

CHARGES AND TAXES OF UN-LET PROPERTIES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Charges	-47	-138	-80
Property tax	-46	-150	-137
Insurances	-9	-10	-38
TOTAL	**-102**	**-297**	**-255**

The reduction in these costs in 2015 is explained mainly by the leasing of the site in Nivelles from the 4th quarter of 2014. 2015 includes only the costs relating to the site in Herentals.

Note 8: Property management costs

PROPERTY MANAGEMENT COSTS (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Internal property management costs	-822	-663	-221
Exteral property management costs	-17	0	-23
TOTAL	**-839**	**-663**	**-244**

These costs include on the one hand costs relating to the internal team responsible for the management and marketing of property and on costs directly attributable to management on the other.

The increase in internal management costs relates mainly to the increase in the number of sites in Belgium and the Netherlands.

Note 9: Other property costs

OTHER PROPERTY COSTS (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Other property charges	-43	-9	-83
TOTAL	**-43**	**-9**	**-83**

"Other property charges" in 2015 mainly included the costs relating to the maintenance of the solar panels.

Note 10: General Company overheads

GENERAL CORPORATE COSTS (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Office costs	-329	-227	-310
Representation costs	-117	-86	-104
Fees	-960	-936	-599
Real estate expert	*-137*	*-177*	*-168*
Auditor	*-74*	*-57*	*-42*
Legal advisors	*-124*	*-186*	*-151*
Accounting and financial advisors	*-369*	*-348*	*-164*
Other	*-257*	*-169*	*-74*
Listing fees	-234	-195	-172
Marketing and communication	-304	-163	-216
Personnel costs + fees business manager	-1.897	-1.604	-2.017
Amortizations	-196	-127	-154
TOTAL	**-4.037**	**-3.339**	**-3.573**

General overheads mainly include the costs associated with day-to-day management, as well as costs incurred in the context of obligations for companies listed on the stock exchange.

In total, overheads of € 5,411K were incurred. Of this:

- € 629K (11.6%) capitalized for existing sites and current new projects. These overheads were the costs for project management;
- € 745K (13.8%) transferred to property costs (included in the property management costs, dealt with in note 8). These are directly attributable costs at the sites regarding management of the assets.

As a result, 74.6% of these costs (€ 4,037K) are retained as general company overheads. The increase in general overheads is the result of the rise in staffing costs (expansion of the team), office costs (office in France and the Netherlands) and marketing and communication costs.

The fees for the Company Auditors, E&Y Bedrijfsrevisoren, represented by Christel Weymeersch, relating to payments in the context of their statutory assignment for examining and auditing the corporate and consolidated accounts, were € 52K (the total amount was € 74K, of which € 22K is related to other audit work – see auditor).

In addition to the fees for the company auditor, the property assessors and the Business Manager, no other significant fees were incurred in 2015.

Note 11: Other operational revenue and costs

OTHER OPERATING INCOME AND EXPENSES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Ohter operating income	29	107	305
Other operating expenses	-86	-98	-142
TOTAL	**-58**	**9**	**163**

Other operational revenue mainly resulted from:

- damages claims received;
- one-off revenue.

Other operational costs are related mainly to:

- registration costs and legal formalities;
- a part of the cancelled claim with customer Debflex (Feuquières-en-Vimeu).

Note 12: Result from sales of property investments

RESULT ON DISPOSAL OF INVESTMENT PROPERTIES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Net sale of real estate (sale price - transaction expenses)	3.780	7.924	5.078
Book value of sold real estate	-3.775	-7.748	-3.971
TOTAL	**5**	**176**	**1.107**

The capital gain of € 1,107K achieved in 2013 was the result of the sales of the sites in Laken and Vilvoorde and the capital gain generated on the sale of building rights at the airport[98]. Through this latter agreement, the airport resumed ownership of the land and Montea makes a variable payment for this based on the rental income it receives from the tenant.

The capital gain of € 176K achieved in 2014 was the result of sale of the site in Puurs.

The capital gain of € 5K achieved in 2015 was the result of sale of the site in Meer.

Note 13: Variations in the fair value of the property investments

CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Positive changes in fair value of investment properties	14.535	7.199	1.879
Negative changes in fair value of investment properties	-12.065	-5.742	-6.009
TOTAL	**2.470**	**1.457**	**-4.130**

The positive variantions in fair value of property investments is the balance of all the positive variations in the fair value of the sites with a positive variation. The same for the negative variations.

When we look in globality at the balance of the positive and negative variations, the result on the property portfolio amounts to € 2.470K on December 31, 2015.

When we look separately at the balance of the positive and negative variations (respectively + € 14.5 million and € -12.1 million), we can state as following:

a) the positive variations in the fair value of the property portfolio are determined mainly by the adjustment of the investment yield by the property value of 9 bps in the Netherlands and 50 bps in France.
b) the negative variations in the fair value of the property portfolio are largely due to the charge of any future vacancy at two sites in Belgium (Herentals and Milmort), some adaptation works not fully estimated by the property expert (mainly Belgian sites) and the revaluation of development potential at the site of Forest.

When Montea invests in a property (significant adaptation works), these investments are entered in the assets on the balance sheet. If the assessor does not value these works (or not in full) based on the cost of the work, Montea records a negative variation in value of the property.

For more information about the bases used for valuing the property portfolio, please see 4.2.4 Property Report.

98 On 20/12/2012 Montea acquired the shares in Warehouse Nine NV. This transaction related to a build-to-suit development for DHL Global Forwarding at Brucargo in Zaventem, in which Warehouse Nine NV acquired a building right for this development for a period of 50 years on terms in line with the market. At the end of 2013, Montea (Warehouse Nine NV had merged with Montea in the meantime) sold this building right again to the airport, generating a capital gain of (€ 301K). Since 2014, Montea is no longer the owner of this land, but pays a variable amount to the airport.

Note 14: Financial income

FINANCIAL INCOME (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Interests and dividends received	138	24	47
Compensation financial leasing	0	0	0
Net realized gains on sale of financial assets	0	0	0
Net realized gains on sale of financial leasing receivables and similar receivables	0	0	0
Other	443	318	2
TOTAL	**581**	**343**	**49**

Financial income relates to interest received on available funds and the compensation paid for non-availability to MG Real Estate regarding the option fee issued.

Note 15: Net interest charges

NET INTEREST CHARGES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Nominal interest charges on loans	-5.364	-4.915	-3.169
Reinstatement of the nominal amount for financial debts	6	8	23
Costs from authorized hedges	-3.142	-2.607	-3.068
Income from authorized hedges	0	0	0
Other interest charges	-57	-7	-5
TOTAL	**-8.556**	**-7.521**	**-6.219**

Net interest charges rose by € 1,035K or 13.8%. Financial debt increased by € 66.5 million (also see the rise in the debt ratio from 52.1% to 55.8%).

Including the position of financial debt at 31/12/2015 (outstanding bond loan, current lines of credit with the corresponding hedging instruments and other financial debts) the average financial charge was 3.07%[99] compared with 3.8% in 2014. The impact of these hedging instruments was 0.92%. This means that the average financial costs without hedging instruments would be 2.15%.

The cost of the permitted hedging instruments increased by € 535K. This is largely due to the decline in short term interest rates which makes the difference between the short-term interest rate and the fixed IRS contracts increase.

Note 16: Other financial charges

OTHER FINANCIAL COSTS (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Bank charges and other commissions	-41	-48	-36
Net realized losses on sale of financial assets	0	0	0
Net realized losses on sale of financial leasing receivables and similar receivables	0	0	0
Other	0	0	0
TOTAL	**-41**	**-48**	**-36**

Bank charges mainly include administrative costs in the context of arranging new lines of credit.

[99] This financial charge is an average over the whole year, including the other financial debts in France and Belgium, plus the outstanding bond loan. The charge is calculated based on the total financial cost compared with the average of the starting balance and the end balance of the financial debt burden for 2015.

Note 17: Variations in the fair value of financial assets and liabilities

The variation in the fair value of the financial assets and liabilities was € 0.4 million, consisting of:

- the positive variation in fair value of the financial assets and liabilities to the value of € 719K;
- the negative variation resulting from IFRS 13 in which Montea recorded a DVA (Debit Value Adjustment) of € 281K in 2015.

VARIATIONS IN THE FAIR VALUE OF FINANCIAL ASSET AND LIABILITIES (EUR x 1.000)	31/12/2014 12 months	31/12/2014 12 months	31/12/2013 12 months
Authorized hedges	438	-10.796	5.497
Authorized hedges subject to hedge accounting as defined by IFRS	0	0	0
Authorized hedges no subject to hedge accounting as defined by IFRS	438	-10.796	5.497
Other	0	0	0
TOTAL	**438**	**-10.796**	**5.497**

Montea's debt position in the context of the hedging instruments was € 24.9 million.

FAIR VALUE OF THE HEDGES (EUR x 1.000)		Maturity	Nominal amount	Amount taken 31/12/2015	Interest rate	Heged interest rate	Fair value 2015	Fair value 2014	Fair value 2012	Change in fair value
Forward IRS	30/05/2012	30/05/2019	15.000	15.000	2,66%	Euribor 3M	-1.098	-1.320	-1.044	-222
Stepped IRS	1/07/2012	1/07/2024	0	0	2,50%	Euribor 3M	0	-14.413		-14.413
Forward IRS	1/10/2011	1/10/2020	0	0	2,77%	Euribor 3M	0	-1.516	-1.441	-1.516
Forward IRS	30/05/2012	30/05/2019	10.000	10.000	3,07%	Euribor 3M	-2.687	-2.706	-1.197	-19
Forward IRS	1/10/2011	1/10/2020	0	0	2,77%	Euribor 3M	0	-1.518	-1.353	-1.518
Forward IRS	31/12/2015	31/12/2021	10.000	10.000	2,38%	Euribor 3M	-1.240	-1.174	-1.348	66
Forward IRS	2/01/2015	1/01/2020	25.000	25.000	2,59%	Euribor 3M	-3.177	-2.992	-10.291	185
Forward IRS	19/06/2015	1/07/2022	10.000	10.000	2,52%	Euribor 3M	-1.446	0		0
Forward IRS	1/04/2015	1/07/2023	25.000	23.333	2,74%	Euribor 3M	-4.277	0		0
Forward IRS	1/04/2015	1/07/2024	25.000	23.333	2,74%	Euribor 3M	-4.519	0		0
Forward IRS	1/04/2015	1/07/2027	25.000	23.333	2,74%	Euribor 3M	-4.997	0		0
Forward IRS	31/03/2015	30/06/2023	10.000	10.000	2,51%	Euribor 3M	-1.479	0		0
TOTAL			**155.000**	**150.000**			**-24.920**	**-25.639**	**-19.327**	**-17.437**

The table below shows when the existing IRS contracts for a total of € 155 million are coming to an end:

2019: € 25 million
2020: € 25 million
2021: € 10 million
2022: € 10 million
2023: € 35 million
2024: € 25 million
2027: € 25 million

Over the 3 financial years (2013 - 2015), as the result of adjustments under IFRS 13, Montea recorded a positive variation in the valuation of the hedging instruments of € 732K (this relates to the Debit Value Adjustment). As a result, Montea's net debt position in the context of the hedging instruments was € 24.2 million. This can be found in the long-term financial debts on the liabilities side of the balance sheet.

At the end of 2015, Montea had hedging instruments for a face value of € 155 million. This is higher than the € 150 million in drawn down IRS contracts because 3 IRS contracts contain "step-up" clauses.

The average "hedging cost" rose slightly from 2.55% to 2.59% (assuming a constant perimeter)[100].

Based on the existing IRS contracts, see below the undiscounted cash flows for the next five years.

[100] The average hedging cost is calculated by dividing the total annual hedging cost by the average amount hedged.

Undiscounted Cashflows (EUR x 1000)	< 1 year	1 year < x < 2 years	2 years < x < 3 years	3 years < x < 4 years	4 years < x < 5 years
Cost of hedging	3.568	4.010	3.704	3.264	2.559

Note 18: Corporation tax

CORPORATE TAXES (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Withholding tax	-1	-1	-2
Actual corporate taxes (profit)	-323	-323	-190
TOTAL	**-324**	**-324**	**-193**

The increase in 2014 was the result of the acquisition of new companies which do not have RREC status and hence are required to pay corporation tax.

Note 19: Intangible fixed assets

INTANGIBLE ASSETS	(x EUR 1.000)
ON 31/12/2013	**114**
Acquisitions	44
Depreciations	-33
ON 31/12/2014	**125**
Acquisitions	180
Depreciations	-91
ON 31/12/2015	**214**

This item states the amounts of the intangible fixed assets intended for own use. These intangible fixed assets include in particular the licence and development costs for property management, facility and accounting software.

The increase in 2015 relates to the new financial software coming into service.

Note 20: Investment properties

INVESTMENT PROPERTIES	(X EUR 1.000)
On 31/12/2013	**312.545**
Investments	**90.339**
- new acquisitions	81.858
- acquisitions through share transactions	-
- redevelopments	8.481
Project developments	**16.295**
Divestments	**-11.523**
- Sale assets	-7.748
- Assets held for sale	-3.775
Increase/(decrease) of the fair value	**6.349**
On 31/12/2014	**414.005**
Investments	**81.115**
- new acquisitions	62.673
- acquisitions through share transactions	-
- redevelopments	18.442
Project developments	**9.344**
Divestments	**-**
- Sale assets	-
- Assets held for sale	-
Increase/(decrease) of the fair value	**2.470**
On 31/12/2015	**506.934**

The increase in property investments is mainly the result of the acquisition of the sites in ’s Heerenberg, Apeldoorn and Tilburg and the handover of the site in Heerlen in the first quarter of 2015.

The table below shows an overview of the analyses regarding the project developments:

Project developments	(X EUR 1.000)
On 31/12/2013	**-**
Project developments	
- Heerlen	16.295
On 31/12/2014	**16.295**
Project developments	
- Heerlen	-16.295
- Bakkersland	13.306
- Movianto	11.244
- ExtensionDSV	1.090
On 31/12/2015	**25.640**

Note 21: Other tangible fixed assets

OTHER TANGIBLE NON-CURRENT ASSETS (x EUR 1.000)	Total	Own use	Other
ON 31/12/2013	**7.651**	**609**	**7.042**
Acquisition value 01/01/2014	**8.140**	**757**	**7.383**
Acquisitions	129	0	129
Solar panels	-63	0	-63
Acquisition value 31/12/2014	**8.206**	**757**	**7.449**
	0	0	0
Depreciations 01/01/2014	**-489**	148	**-637**
Depreciations	-63	38	-100
Depreciations 31/12/2014	**-551**	**186**	**-737**
ON 31/12/2014	**7.655**	**571**	**7.083**
Acquisition value 01/01/2015	**8.206**	**757**	**7.449**
Acquisitions	93	0	93
Solar panels	2.841	0	2.841
Acquisition value 31/12/2015	**11.140**	**757**	**10.383**
	0	0	0
Depreciations 01/01/2015	**-551**	**148**	**-699**
Depreciations	-89	38	-126
Depreciations 31/12/2015	**-640**	**186**	**-826**
ON 31/12/2015	**10.500**	**571**	**9.929**

The movement in other tangible fixed assets includes mainly, in addition to the reduction in value on the solar panels at the sites in Bornem, Grimbergen, Herentals, Puurs Schoonmansveld and Heppignies, the investment in new solar panels in Vorst and Milmort, as well as the purchase of the existing solar panels at the site in Ghent Hulsdonk. The reduction in value was taken directly from equity capital (also see valuation rules 7.6.2.3.).

Solar panels are valued based on the revaluation model in accordance with IAS 16 – Tangible Fixed Assets. After the initial drawdown, the asset from which the fair value can reliably be determined, must be recorded at the revalued value, i.e. the fair value at the time of the revaluation, minus any accumulated writedowns later, plus any later accumulated special value reduction. If these solar panels were to be valued at their cost price, the amount would be € 8,972K. The solar panels are not valued by an independent property assessor.

The fair value is determined on the basis of the discounting method of future revenues.

In the case of the valuation of the solar panels, the net gains (€ 1,397K for 2015) are stated in a separate component of the equity capital. Also see note 30.1.

Note 22: Financial fixed assets

FINANCIAL ASSETS	(x EUR 1.000)
ON 31/12/2013	**0**
Assets held for sale till maturity	**0**
Participations in associated companies or companies with a participating interest	0
Assets at fair value through result	**0**
Hedging instruments	0
ON 31/12/2014	**0**
Assets held for sale till maturity	**0**
Participations in associated companies or companies with a participating interest	0
Assets at fair value through result	**0**
Hedging instruments	0
ON 31/12/2015	**0**

The financial fixed assets relate solely to the positive valuation of the hedging instruments.

The negative valuation of the hedging instruments for 2015 are shown in Note 17.

Note 23: Trade receivables and other fixed assets

TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS	(x EUR 1.000)
ON 31/12/2013	**37**
Guarantees paid in cash	0
ON 31/12/2014	**37**
Guarantees paid in cash	1
ON 31/12/2015	**38**

This amount is in relation to a surety paid in cash.

Note 24: Assets intended for sale

ASSETS HELD FOR SALE	(x EUR 1.000)
OP 31/12/2013	**0**
Accounting value of the investment properties held for sale	3.775
Real Estate certificates	0
Other	0
OP 31/12/2014	**3.775**
Accounting value of the investment properties held for sale	-3.775
Real Estate certificates	0
Other	0
OP 31/12/2015	**0**

On 1st October 2014 an agreement was signed for the temporary purchase and sale option of the property at Meer, whereby the buyer could exercise a call option to purchase the property until 31st December 2014 and Montea could exercise a put option to sell the property until 31st January 2015. The buyer notified Montea by registered letter that it wished to exercise the call option. The property was sold in April 2015.

Note 25: Trade receivables

TRADE RECEIVABLES (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Trade receivables - gross	8.195	13.015	7.533
Provisions for doubtful receivables	-504	-562	-554
TOTAL	**7.691**	**12.453**	**6.978**

At 31st December 2015, net trade receivables were € 7,691K of which

- € 681K were invoices yet to be raised;
- € 504K consisted of doubtful debtors;
- € 6,289K were trade receivables;
- € 217K were other receivables.

DOUBTFUL RECEIVABLES	(x EUR 1.000)
ON 31/12/2013	**564**
Amount current financial year	10
Reversal amount current financial year	-1
ON 31/12/2014	**573**
Amount current financial year	0
Reversal amount current financial year	-69
ON 31/12/2015	**504**

WRITE-DOWNS ON DOUBTFUL RECEIVABLES ACCOUNTED FOR	(x EUR 1.000)
ON 31/12/2013	**554**
Provisions current financial year	9
Reversal losses doubtful receivables	-1
ON 31/12/2014	**562**
Provisions current financial year	0
Reversal losses doubtful receivables	-58
ON 31/12/2015	**504**

To minimise the impact of receivables in arrears on the result, Montea manages its customer base efficiently. Montea subjects its clients to a regular credit analysis. Montea will also subject potential clients to a prior credit analysis before signing any new contracts.

The table below shows an age analysis of the € 6,289K in trade receivables.

TABLE OF MATURITY DATES OF TRADE RECEIVABLES	(x EUR 1.000)
Trade receivables, not due	6.427
Trade receivables, due 1 -30 days	0
Trade receivables, due 31 - 60 days	-1
Trade receivables, due 61 - 90 days	0
Trade receivables, due > 90 days	-137
TOTAL	**6.289**

No impairments were recorded on the total amount of € 6,289K.

The overdue trade receivables for which an impairment was booked are found in the table below.

TABLE OF MATURITY OF DOUBTFUL DEBTS	(x EUR 1.000)
Trade receivables, not due	0
Trade receivables, due 1 -30 days	0
Trade receivables, due 31 - 60 days	0
Trade receivables, due 61 - 90 days	0
Trade receivables, due > 90 days	504
TOTAL	**504**

For the total amount of doubtful debts, an amount of € 504K was reserved.

Montea has made the efforts required to ensure that the majority of the outstanding trade receivables were collected after the end of the year.

Montea has obtained no guarantees in order to limit its credit risk nor has Montea obtained credit hedging instruments.

Note 26: Tax receivables and other current assets

TAX RECEIVABLES AND OTHER CURRENT ASSETS (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
TAXES	**4.254**	**1.390**	**445**
Value added taxes (VAT)	3.983	1.121	175
Corporation tax	271	269	271
OTHER CURRENT ASSETS	**-185**	**196**	**193**
TOTAL	**4.069**	**1.586**	**638**

The significant amount of VAT to be claimed back is the result of a number of large invoices that were entered at the end of the year regarding current development in the Netherlands (Bakkersland project).

Note 27: Cash and cash equivalents

CASH AND CASH EQUIVALENTS (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Cash at banks	4.929	4.248	2.551
Term deposits	2	2	1.541
Cheques to be cashed	0	0	1
TOTAL	**4.930**	**4.250**	**4.092**

The term investments relate to cash deposits made into term accounts with credit institutions.

Note 28: Deferred charges and accrued income on the assets

DEFERRED CHARGES AND ACCRUED INCOME - ASSETS (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Accrued and not due rental income	394	2.662	989
Rental discounts and rental incentives to be allocated	0	0	0
Prepaid property charges			
- Prepaid allowance Group De Paepe	4.500	4.500	2.250
- Costs for future projects / Provisions construction costs	10.071	1.926	3.763
- Autres	0	0	0
Prepaid interests and other financial charges	0	0	310
Other	344	894	429
TOTAL	**15.309**	**9.981**	**7.741**

The prepaid property charges - the Paepe concern the advances on the land that will be refunded if the projects are stopped within a period of four years from the payment of these charges. These charges, paid by Montea, are unavailable because the timing of the closing of the future project is not known and therefore this amount is not available for Montea for a certain time.

The item "Costs for future projects / Provisions construction costs" includes advances on construction costs / share prices for future projects for which no contract has been signed but for which already an agreement is confirmed. Before an acquisition contract is signed, all suspensive conditions of the relevant confirmation agreement should be met. Possible suspensive conditions include environmental permits, approval of a contribution in kind by the FSMA, etc. Given these suspensive conditions, there is not enough certainty to include these projects as investment property. It is explicitly stated in the confirmation agreement / partnership agreement that a full refund will take place in case the project cannot continue. Therefore, these costs are provisionally included in deferred charges.

Given that the contract has not yet been signed at the end of the reporting period, these costs were included in deferred charges and not in the post "Property investments".

Once the purchase agreement has been finalized, these costs and / or provisions are transferred to "Property investments".

The increase in the prepaid property charges is explained mainly by the rise in start-up costs already incurred or advances on the building costs for possible new projects (DHL Hub, 2 projects at Park De Hulst).

Note 29: Share capital and share premiums

SHARE CAPITAL AND SHARE PREMIUMS (x EUR 1.000)	Capital	Costs capital increase	Capital shares options staff	Subscription premium	Number of shares
ON 31/12/2013	**138.767**	**-1.234**	**3**	**1.771**	**6.808.962**
Capital increase on 24 June 2014	39.648	-1.123		12.879	1.945.416
ON 31/12/2014	**178.416**	**-2.357**	**3**	**14.650**	**8.754.378**
Contribution in kind HSL and stock dividend	9.319	-93	0	6.244	457.323
ON 31/12/2015	**187.735**	**-2.450**	**3**	**20.893**	**9.211.701**

On June 4, 2015, Montea proceeded to an (indirect) contribution in kind of the site in Apeldoorn which created a total of 214,110 new shares, fully entitled to contribute in the results of Montea.

On June 12, 2015, Montea strengthened its equity by € 8.1 million (capital + share premium) because 71.5% of the existing shareholders have chosen for the optional dividend. 243,213 new shares were created.

For more information, please refer to the press release of 4/06/2015 (contribution in kind HSL) or www.montea.com and the press release dated 12/06/2015 or www.montea.com.

Note 30: Reserves

(EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Reserves	**-22.035**	**-13.480**	**-16.410**
Legal reserves	835	835	829
Reserve for the net amount of the changes in fair value of investment properties	-31.804	-34.487	-35.881
Reserves for the impact on the fair value of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties	-23.256	-17.813	-11.799
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	-24.188	-24.627	-13.830
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	-251	-639	-639
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	56.630	62.586	44.910
Results carried forward from previous financial years	0	664	0

At the Board meeting held on 14th November 2011, an option plan was approved for all members of the executive management, including the executive directors. Montea's own shares have been purchased to cover these options. The amount of € 251K ("Reserve for own shares") relates to 7,246 of Montea's own shares, with a total par value of € 251K (including charges). These 7,246 shares are the remaining shares of the 23,346 shares bought in to finance the current option plan. During the 2015 financial year, options were exercised totalling 16,100 shares.

The difference in the item for "reserve for the balance of the variation in the fair value of property" compared with last year was € 2,683K, due mainly to the positive changes in value made by the property assessor. The negative reserve for the balance in the fair value of property and the reserve for the balance of the hedging instruments are the most important factors that have a major negative impact on reserves.

When determining the fair value of the property, following an analysis of a large number of transactions by a working group of specialists acting for listed property institutions, account needs to be taken of 2.5% in total purchase costs on major investment property (i.e. > € 2,500,000). In other words, for all sites of € >2,500,000, the investment value has to be divided by 1.025 to arrive at the fair value. At all other sites, 10% or 12.5% is applied on registration fees to arrive at the fair value.

This means that for 1 site in Belgium, i.e. Hoboken, the rule of 10% applies.

When valuing the sites in France and the Netherlands, an estimate was made of the total amount of the purchase costs. This represents approximately 6.3% in France and 6.6% in the Netherlands. This means that 6.4% has to be deducted from the investment amount to arrive at the fair value for the site.

Note 30.1: Reserve for the balance of the changes in the 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)	-6.692
Changes in fair value of investment properties 2013 (12 months)	-3.658
Changes in fair value of investment properties 2014 (12 months)	1.457
Changes in fair value of investment properties 2015 (12 months)	2.470
Revaluation gains solar panels 2011 (12 months)	1.566
Revaluation gains solar panels 2012 (12 months)	-128
Revaluation gains solar panels 2013 (12 months)	-192
Revaluation gains solar panels 2014 (12 months)	-63
Revaluation gains solar panels 2015 (12 months)	213
ON 31/12/2015	**-31.804**

Note 30.2: Reserve for the balance of the changes in the fair value of authorised hedges 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
changes in fair value of authorized hedges 2013 (12 months)	5.497
changes in fair value of authorized hedges 2014 (12 months)	-10.796
changes in fair value of authorized hedges 2015 (12 months)	438
ON 31/12/2015	**-24.188**

The variation in the fair value of the hedging instruments is recorded in full in the profit-and-loss account.

Note 31: Result

For more information about the results, please refer to Section 7.5 "Summary of changes in consolidated shareholders' equity and reserves as at 31/12/2015."

The following table provides an overview of the net income per share and the net earnings per share based on the number of shares participating in the result of Montea and the weighted number of shares. The net current result equals the net result excluding the portfolio result (XVI to XIX of the consolidated statement of comprehensive income before distribution of profit).

The net current result (excluding IAS 39) equals the net income excluding the valuation of hedging instruments (see XXIII of the consolidated statement of comprehensive income before profit distribution) and excluding the portfolio result (XVI to XIX of the consolidated statement of comprehensive income before distribution of profit).

The number of shares entitled to contribute in the result of Montea is equal to the number of shares at the end of the period. In addition, the diluted earnings per share are equal to basic earnings per share because the minority interest (5% of SCI 3R) is negligible. Moreover, Montea has no warrants and / or convertible bonds.

DETAIL RESULTS PER SHARE (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
NET RESULT	**24.010**	**6.107**	**15.969**
Attributable to:			
Shareholders of the parent company	24.010	6.105	15.970
Minority interests	0	2	-2
NET CURRENT RESULT (K€)	**21.535**	**4.474**	**18.991**
NET CURRENT RESULT (excl. IAS 39) (K€)	**21.097**	**15.271**	**13.494**
Number of shares in circulation entitled to the result of the period (SHARES)	9.211.701	8.754.378	6.587.896
Number of weighted number average of shares before the period	9.000.882	7.781.658	6.536.507
Number of shares at the end of the period (SHARES)	9.211.701	8.754.378	6.808.962
NET (ordinary/diluted) RESULT PER SHARE (EUR) / number of shares, participating in the result (€)	**2,61**	**0,70**	**2,42**
NET (ordinary/diluted) OPERATING RESULT PER SHARE (excl. IAS39) / number of shares, participating in the result (€)	**2,29**	**1,74**	**2,05**
NET (ordinary/diluted) RESULT PER SHARE / weighted number average of shares (€)	**2,67**	**0,78**	**2,44**
NET (ordinary/diluted) CURRENT RESULT PER SHARE (excl. IAS 39) / weighted number average of shares (€)	**2,34**	**1,96**	**2,06**

Note 32: Minority interests

MINORITY INTEREST	(x EUR 1.000)
ON 31/12/2013	**98**
5% of the result of SCI 3R on 31/12/2014	2
ON 31/12/2014	**100**
5% of the result of SCI 3R on 31/12/2015	0
ON 31/12/2015	**100**

Note 33: Long term provisions

PROVISIONS (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Pensions	0	0	0
Other	0	0	0
TOTAL	**0**	**0**	**0**

Note 34: Financial debts

FINANCIAL DEBTS (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
NON-CURRENT FINANCIAL DEBTS	**267.165**	**177.393**	**144.517**
Credit institutions	156.333	116.000	111.333
Bond	109.117	59.085	29.557
Securities and bank guarantees deposited	835	840	404
Financial leasing	774	0	0
Others	105	1.468	3.222
- Other leasings	0	0	0
- Other rental guarantees	0	0	0
- Provisions property income claiming more than 1 year	0	0	0
- Waived property income claiming more than 1 year	0	0	0
- Other	2	45	45
CURRENT FINANCIAL DEBTS	**27.491**	**50.752**	**28.529**
Credit institutions	26.667	49.000	26.667
Financial leasing	824	0	0
Others	0	1.752	1.862
- Other leasings	0	0	0
- Other rental guarantees	0	0	0
- Provisions property income claiming more than 1 year	0	0	0
- Waived property income claiming more than 1 year	0	0	0
- Other	0	45	45
TOTAL	**294.656**	**228.145**	**173.046**

The financial debts relate to nominal amount with interest not included.

The financial debts consist mainly of bilateral lines of credit with five Belgian financial institutions. As of 31/12/2015, Montea has a total of € 205 million in contracted lines of credit, of which 89.3% (€ 183 million) was drawn down.

14.6% (or € 26.7 million) of the drawn down debt matures next year.

The total financial liabilities relating to "credit institutions" are at floating interest rates which are hedged with financial instruments IRS fixed interest rate[101] of 89.3%. Financial liabilities relating to "sureties, guarantees and other payables" are at fixed interest rates. With the exception of one bond of € 25 million, all bonds have fixed interest rates.

CREDIT INSTITUTIONS (x EUR 1000)	Contracted credits	Drawn down credits	Drawn down credits + intrest charges
Credit lines, with a maturity of < 1 year	26.667	26.667	26.845
Credit lines, with a maturity of 1 - 2 years	40.000	40.000	40.662
Credit lines, with a maturity of 2 - 3 years	16.667	16.667	17.162
Credit lines, with a maturity of > 3 years	121.666	99.666	100.645
TOTAL	**205.000**	**183.000**	**185.314**

The interest costs in column 3 of the table above are based on a variable basis and on the situation on 31/12/2015.

In addition, the financial debts consist of outstanding bond loans (nominal amount of € 110 million) and of other financial leasing debts (Montea has financial leasing debts at the following sites: Milmort (BE) and St Cyr-en-Val (Orléans) in France), reimbursed on a quarterly basis.

Below is a schematic overview of the outstanding remaining leasing debts:

	2016	**2017**
Milmort:	€ 555K	€ 774K
St-Cyr-en-Val:	€ 269K	0
Total	**€ 824K**	**€ 774K**

In 2015, 2 additional bond issues were made for a face value of € 50 million. For more information about this, please see point 1.3.2. of this annual report.

The following table provides an overview of the current bonds:

BONDS						
Nominal amount	**Start date**	**Maturity date**	**Interest**	**Interest rate**	**Repayment capital**	**Repayment Interest**
30.000	28/06/2013	28/06/2020	fixe	4,107%	2020	Annual
30.000	28/05/2014	28/05/2021	fixe	3,355%	2021	Annual
25.000	30/06/2015	30/06/2027	variable	EUR 3months + 205 bps	2027	Per Trimester
25.000	30/06/2015	30/06/2025	fixe	3,42%	2025	Annual
110.000						

[101] In section 4.5.3 we mention 82%. This 82% is the % of the **total financial debt**, including bonds. The 89.3% is the % regarding **the debts of credits**.

Note 35: Other non-current financial liabilities

OTHER NON-CURRENT FINANCIAL LIABILITIES (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Authorized hedges	24.188	24.627	13.830
TOTAL	**24.188**	**24.627**	**13.830**

The other non-current financial liabilities relate only to the negative valuation of the interest rate hedging instruments at 31/12/2015. In Note 22, under financial fixed assets, are the positive variations in the value of the interest rate hedging instruments. As of 31/12/2015, the interest rate hedging instruments had a negative value of € 24.2 million. For the comparison of the fair values with the book values, please see Note 17.

Note 36: Other non-current liabilities

OTHER NON-CURRENT LIABILITIES (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Guarantees	0	0	452
TOTAL	**0**	**0**	**452**

Note 37: Trade debts and other current debts

TRADE DEBTS AND OTHER CURRENT DEBTS (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Exit Taks	**1.455**	**1.455**	**314**
Other	**6.460**	**6.102**	**3.051**
Suppliers	2.640	5.399	1.313
Tenants	273	17	223
VAT, salaries and social security	3.547	686	1.515
TOTAL	**7.915**	**7.557**	**3.365**

OTHER CURRENT LIABILITIES (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Dividends	14	58	12
Intercompany liabilities	0	730	343
Other	3.979	0	2.255
TOTAL	**3.993**	**788**	**2.610**

The other short-term liabilities relate to the debt for the remaining portion of the land at Schiphol (land on which the Bakkersland project will be built).

The increase in the item "Taxes, remuneration and social security", is mainly related to the increase in invoicing of rents and other charges at the end of the year (for which VAT must be paid).

Note 38: Accrued charges and deferred income

ACCRUED CHARGES AND DEFERRED INCOME - LIABILITES (EUR x 1.000)	31/12/2015	31/12/2014	31/12/2013
Property income received in advance	7.613	6.942	5.563
Interests and other charges accrued and not due	3.071	2.452	1.965
Other	-8	-64	
TOTAL	**10.677**	**9.330**	**7.528**

The increase in accruals in the liabilities consists mainly of rental income invoiced in advance and the allocation of interest still not paid on the new bond loans.

Note 40: Fair value hierarchy

		Fair value hierarchy (EUR x 1.000)	31/12/2015 Booking value	31/12/2015 Level 1 (1)	31/12/2015 Level 2 (2)	31/12/2015 Level 3 (3)
I.		**NON-CURRENT ASSETS**	**517.686**	**0**	**10.752**	**506.934**
	A.	Goodwill	0	0	0	0
	B.	Intangible assets	214	0	214	0
	C.	Investment properties	506.934	0	0	506.934
	D.	Other tangible assets	10.500	0	10.500	0
	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	38	0	38	0
	H.	Deferred taxes (assets)	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity	0	0	0	0
II.		**CURRENT ASSETS**	**31.999**	**4.930**	**27.069**	**0**
	A.	Assets held for sale	0	0	0	0
	B.	Current financial assets	0	0	0	0
	C.	Finance lease receivables	0	0	0	0
	D.	Trade receivables	7.691	0	7.691	0
	E.	Tax receivables and other current assets	4.069	0	4.069	0
	F.	Cash and cash equivalents	4.930	4.930	0	0
	G.	Deferred charges and accrued income	15.309	0	15.309	0
		TOTAL ASSETS	**549.685**	**4.930**	**37.821**	**506.934**
		LIABILITIES	**341.429**	**0**	**317.241**	**24.188**
I.		**Non-current liabilities**	**291.354**	**0**	**267.165**	**24.188**
	A.	Provisions	0	0	0	0
	B.	Non-current financial debts	267.165	0	267.165	0
	C.	Other non-current financial liabilities	24.188	0	0	24.188
	D.	Trade debts and other non-current debts	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0
	F.	Deferred taxes - liabilities	0	0	0	0
II.		**Current liabilities**	**50.075**	**0**	**50.075**	**0**
	A.	Provisions	0	0	0	0
	B.	Current financial debts	27.491	0	27.491	0
	C.	Other current financial liabilities	0	0	0	0
	D.	Trade debts and other current debts	7.915	0	7.915	0
	E.	Other current liabilities	3.993	0	3.993	0
	F.	Accrued charges and deferred income	10.677	0	10.677	0
		TOTAL LIABILITIES	**341.429**	**0**	**317.241**	**24.188**

- Level 1: valuations of the fair value are determined by the (unadjusted) quoted market prices in active markets for identical assets and liabilities;
- Level 2: valuations of the fair value are determined based on data other than quoted prices specified in Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices);
- Level 3: valuations of the fair values are determined using valuation techniques that data for the asset or liability cover that are not based on observable market data (unobservable data).

During the financial year 2015 no transfers took place between the different levels of the fair value hierarchy.

		Fair value hierarchy (EUR x 1.000)	31/12/2014 Booking value	31/12/2014 Level 1 (1)	31/12/2014 Level 2 (2)	31/12/2014 Level 3 (3)
I.		**NON-CURRENT ASSETS**	**421.821**	**0**	**7.816**	**414.005**
	A.	Goodwill	0	0	0	0
	B.	Intangible assets	125	0	125	0
	C.	Investment properties	414.005	0	0	414.005
	D.	Other tangible assets	7.655	0	7.655	0
	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	37	0	37	0
	H.	Deferred taxes (assets)	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity	0	0	0	0
II.		**CURRENT ASSETS**	**32.046**	**4.250**	**24.021**	**3.775**
	A.	Assets held for sale	3.775	0	0	3.775
	B.	Current financial assets	0	0	0	0
	C.	Finance lease receivables	0	0	0	0
	D.	Trade receivables	12.453	0	12.453	0
	E.	Tax receivables and other current assets	1.586	0	1.586	0
	F.	Cash and cash equivalents	4.250	4.250	0	0
	G.	Deferred charges and accrued income	9.981	0	9.981	0
		TOTAL ASSETS	**453.867**	**4.250**	**31.837**	**417.780**
		LIABILITIES	**270.429**	**0**	**245.803**	**24.627**
I.		**Non-current liabilities**	**202.019**	**0**	**177.393**	**24.627**
	A.	Provisions	0	0	0	0
	B.	Non-current financial debts	177.393	0	177.393	0
	C.	Other non-current financial liabilities	24.627	0	0	24.627
	D.	Trade debts and other non-current debts	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0
	F.	Deferred taxes - liabilities	0	0	0	0
II.		**Current liabilities**	**68.410**	**0**	**68.410**	**0**
	A.	Provisions	0	0	0	0
	B.	Current financial debts	50.752	0	50.752	0
	C.	Other current financial liabilities	0	0	0	0
	D.	Trade debts and other current debts	7.540	0	7.540	0
	E.	Other current liabilities	788	0	788	0
	F.	Accrued charges and deferred income	9.330	0	9.330	0
		TOTAL LIABILITIES	**270.429**	**0**	**245.803**	**24.627**

IFRS 13 deals with the practical application of determining the fair value when this is required or permitted by a different standard. This was also applied with regard to the valuation of the property investment, solar panels and financial instruments.

1. Property investments

The practical application of determining the fair value when valuing the property investments was carried out based on the external estimator, based mainly on the capitalisation method.

The practical application of determining the fair value when valuing the property investments, based on the capitalisation method, was carried out on the basis of the external valuer who determined the market rent values and market yields at all of the individual sites. Some adjustments have been added to these market rent values and market yields, depending on the specific situation (e.g. the difference between the actual rent and the market rental value, the actual value of the future investments, as well as the estimate of future vacancies).

As stated above, the fair value of the property investments is determined mainly using the market rental value (€ per m²), equivalent yield (net yield based on an equivalent product at this location). The table below shows a summary of these two parameters per geographical region, with a minimum, maximum and weighted average. The fair value of the property investments is also determined by the difference between the actual rent and the market rental value.

Hypotheses Valuation Fair Value of Investment properties	BE	FR	NL
Rental Capitalization Method			
Market rental value (Min - Max.) (EURO /m²)	27,58-107,63	37,50-110,00	44,29-68,50
Market rental value - Weighted Average (EURO /m²)	47,49	45,91	55,14
Equivalent Yield (Min - Max.) (%)	6,51%-8,50%	6,90%-10,65%	6,64%-7,36%
Equivalent Yield - Weighted Average (%)	7,27%	7,32%	6,96%
Actual rent huur compared to market rental value (%)	109,27%	109,57%	102,21%

The table above shows that the minimum and maximum market rent values are a long way apart. This is due mainly to:
* type of logistics: (e.g. refrigerated warehouse / cross-dock warehouses compared with standard warehouses);
* location of the property;
* proportion of offices compared with the whole site.

In 2014 and 2013 the fair value was made additionally based on the "discounted cash flow method". The cash flow method is no longer used because it does not create added value to the existing capitalization method. This cash flow method will only in very specific cases, be applied to support the capitalization method.

The table below shows the main parameters for 2014:

Hypotheses Valuation Fair value of investment properties	BE	FR	NL
Rent capitalization method			
Market rental value (Min - Max.) (EURO /m²)	31,24-86,56	34,87-105,6	44,29-51,24
Market rental value - Weighted average (EURO /m²)	47,03	46,48	48,69
Equivalent Yield (Min - Max.) (%)	6,57%-8,45%	6,88%-21,75%	6,11%-8,24%
Equivalent Yield - Weighted average (%)	7,41%	7,82%	7,05%
Current rent compared to market rental value (%)	108,50%	104,50%	95,40%
"Discounted Cash Flow" method (*)			
Discount rate (Min - Max.) (%)	3,48%-8,39%	4,47%-17,95%	6,50%-7,30%
Discount rate (Weighted average) (%)	7,14%	6,67%	6,85%

In 2014, the valuation was still carried out using the discounted cash flow method. This was no longer the case in 2015.

The table below shows the main parameters for 2013:

Hypotheses Valuation Fair value of investment properties	BE	FR	NL
Huurkapitalisatiemethode			
Market rental value (Min - Max.) (EURO /m²)	31,24 - 69,92	35,00 - 105,70	44,70
Market rental value - Weighted average (EURO /m²)	45,01	46,19	44,70
Equivalent Yield (Min - Max.) (%)	6,58% - 8,71%	7,40% - 14,40%	7,31%
Equivalent Yield - Weighted average (%)	7,63%	8,16%	7,31%
Current rent compared to market rental value (%)	100,80%	106,70%	99,53%
"Discounted Cash Flow" method (*)			
Discount rate (Min - Max.) (%)	5,02% - 9,52%	5,38% - 11,85%	8,27%
Discount rate (Weighted average) (%)	6,70%	7,08%	8,27%

2. Solar panels

The practical application of determining the fair value when valuing the solar panels is based on a calculation of the actual net value over the remaining term of the green power certificates.

Solar panels are valued based on the revaluation model in accordance with IAS 16 – Tangible fixed 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.

In determining the discounting method the following items are taken into account:

- The service life of the solar panels is estimated, in line with revenue from green power certificates, at 20 years in Flanders, 10 years in Brussels and 15 years in Wallonia;
- The renewable energy certificates amount to between € 65 and € 330 per certificate;
- The sales income of electricity to customers based on existing contracts;
- The income on surplus electricity sold back to the energy suppliers on the basis of existing contracts;
- Considering the cost of insurance and maintenance for the solar panels.
- Considering a discount rate determined by project between 7.0% and 8.0%;
- Considering a fall in yields during the 20-year period as a result of wear of approximately 0.2% to 0.6% per year;
- The residual value is zero at the end of the period related to the renewable energy certificates.

The solar panels are evaluated on a quarterly basis.

The capital gain at the start of a new site with regard to solar panels is recorded in a separate component of equity. Losses are recorded in this same component, unless they are realized or the fair value drops below the initial cost. In these latter cases they are recorded in the income statement.

3. Derivatives

When determining the fair value of the derivatives, account was taken on the one hand of the fair value made available to Montea by the financial institutions, based on the swap-rate of comparable products at 31/12/2015, compared with the contracted hedging instruments. The fair value of the derivatives as of 31/12/2015 was € 24,920K. This would normally have to be catalogued under level II. The company also has to value the "non-performance risk". Montea has a negative fair value on its hedging instruments.

Based on estimations (credit default swaps at 31/12/2015, the average age of the outstanding swaps), Montea has calculated a "non-performance risk" of € 732K, a decrease of € 281K with respect to 31/12/2014. This non-performance risk has a positive effect on the fair value of derivative instruments. Expressing this "non-performance risk" includes the full fair value of € 24,188 in level III. The decrease in non-performance risk is largely due to the limited restructuring of derivative instruments during the year.

The non-performance risk as at December 31, 2014 and December 31, 2013, was respectively, € 1,013K and € 548K.

4. Financial obligations

Financial obligations consist of 4 bond loans issued, the drawn down lines of credit totalling € 183 million and the other debts. The practical application of determining fair value in valuing the bonds was made based on the indicative pricing active market. Because the bonds had not been traded as of 31/12/2015, they are classified in level 2 (market value in the active market for an equivalent product). The fair value of these bond loans equals the book value. All lines of credit at Montea have been entered into at variable interest rates (bilateral lines of credit at EURIBOR 3 months + margin). In this way, the fair value of the outstanding lines of credit is virtually equivalent to the book value of the lines of credit. Hence they are classified in level 2, which is justified, as the market value in an active market for comparable products is available.

5. Current assets and current (non-financial) liabilities

The valuation technique and the input when valued at fair value used for the current assets and current liabilities are due to the fact that the current assets and current liabilities are valued at their nominal value, given that these are short-term receivables and debts and hence the credit risk is limited.

Note 41: Segment information

In relation to the liability regarding segmented information, the Company applies IFRS 8.

Geographically speaking, the current portfolio is located in Belgium, the Netherlands and France. The Company manages and coordinates its business geographically and in so doing also reports according in line with this geographical segmentation. The tables below show the balance sheet and profit-and-loss account in line with this geographical segmentation.

The site at Saint-Cyr-en-Val, Orléans represents 1 tenant, which constitutes 9.1% of the total annual contracted rental income of the entire portfolio.

Note 41.1: Segmented balance sheet for 2015

		(EUR x 1.000)	31/12/2015 BE	31/12/2015 FR	31/12/2015 NL	31/12/2015 Elim.	31/12/2015 Conso
I.		**NON-CURRENT ASSETS**	**325.790**	**134.779**	**120.592**	**-63.475**	**517.686**
	A.	Goodwill	0	0	0	0	0
	B.	Intangible assets	214	0	0	0	214
	C.	Investment properties	251.611	134.731	120.592	0	506.934
	D.	Other tangible assets	10.488	12	0	0	10.500
	E.	Non-current financial assets	63.475	0	0	-63.475	0
	F.	Finance lease receivables	0	0	0	0	0
	G.	Trade receivables and other non-current assets	2	36	0	0	38
	H.	Deffered taxes (assets)	0	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0
II.		**CURRENT ASSETS**	**211.997**	**11.703**	**5.489**	**-197.190**	**31.999**
	A.	Assets held for sale	0	0	0	0	0
	B.	Current financial assets	0	0	0	0	0
	C.	Finance lease receivables	0	0	0	0	0
	D.	Trade receivables	3.885	2.375	1.431	0	7.691
	E.	Tax receivables and other current assets	172.022	6.687	3.433	-178.073	4.069
	F.	Cash and cash equivalents	1.839	2.507	585	0	4.930
	G.	Deffered charges and accrued income	34.252	134	41	-19.117	15.309
		TOTAL ASSETS	**537.788**	**146.481**	**126.081**	**-260.665**	**549.685**
		TOTAL SHAREHOLDERS' EQUITY	**171.053**	**26.078**	**72.664**	**-61.538**	**208.256**
I.		**Shareholders' equity attributable to the shareholders of the parent company**	**171.053**	**25.978**	**72.664**	**-61.538**	**208.157**
	A.	Share capital	185.289	0	45	-45	185.288
	B.	Share premiums	20.893	0	0	0	20.893
	C.	Reserves	-43.479	15.577	67.360	-61.493	-22.035
	D.	Net result of the financial year	8.351	10.401	5.259	0	24.010
II.		**Minority interests**	**0**	**100**	**0**	**0**	**100**
		LIABILITIES	**366.734**	**120.404**	**53.418**	**-199.127**	**341.429**
I.		**Non-current liabilities**	**290.518**	**835**	**0**	**0**	**291.354**
	A.	Provisions	0	0	0	0	0
	B.	Non-current financial debts	266.330	835	0	0	267.165
	C.	Other non-current financial liabilities	24.188	0	0	0	24.188
	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**	**76.216**	**119.569**	**53.418**	**-199.127**	**50.075**
	A.	Provisions	0	0	0	0	0
	B.	Current financial debts	27.221	269	0	0	27.491
	C.	Other current financial liabilities	0	0	0	0	0
	D.	Trade debts and other current debts	4.398	1.750	1.767	0	7.915
	E.	Other current liabilities	38.168	114.751	49.696	-198.622	3.993
	F.	Accrued charges and deferred income	6.428	2.799	1.954	-505	10.677
		TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**537.788**	**146.481**	**126.081**	**-260.665**	**549.685**

The fair value of the property investments in Belgium in the segmented balance sheet was € 251.6 million, € 26.2 million higher than the fair value of the property investments in Belgium under point 4.2.4. (the Montea property portfolio at 31/12/2015) of the annual report.

The difference can be explained by:

- project developments to the value of € 25.6 million, which are stated under a separate heading in "Montea's property portfolio at 31/12/2015";
- tangible fixed assets intended for own use to the value of € 0.6 million (not included in point 4.2.4 "Montea's property portfolio at 31/12/2015".

Note 41.2: Segmented balance sheet for 2014

		(EUR x 1.000)	31/12/2014 BE	31/12/2014 FR	31/12/2014 NL	31/12/2014 Elim.	31/12/2014 Conso
I.		**NON-CURRENT ASSETS**	**264.888**	**120.783**	**64.400**	**-28.249**	**421.821**
	A.	Goodwill	0	0	0	0	0
	B.	Intangible assets	125	0	0	0	125
	C.	Investment properties	250.063	120.722	43.220	0	414.005
	D.	Other tangible assets	7.655	0	0	0	7.655
	E.	Non-current financial assets	7.045	24	21.180	-28.249	0
	F.	Finance lease receivables	0	0	0	0	0
	G.	Trade receivables and other non-current assets	1	36	0	0	37
	H.	Deffered taxes (assets)	0	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0
II.		**CURRENT ASSETS**	**211.166**	**4.683**	**12.601**	**-196.404**	**32.046**
	A.	Assets held for sale	3.775	0	0	0	3.775
	B.	Current financial assets	0	0	0	0	0
	C.	Finance lease receivables	0	0	0	0	0
	D.	Trade receivables	8.600	2.729	1.124	0	12.453
	E.	Tax receivables and other current assets	172.356	-1.071	10.035	-179.733	1.586
	F.	Cash and cash equivalents	2.227	1.803	220	0	4.250
	G.	Deffered charges and accrued income	24.208	1.222	1.222	-16.670	9.981
		TOTAL ASSETS	**476.054**	**125.465**	**77.001**	**-224.653**	**453.867**
		TOTAL SHAREHOLDERS' EQUITY	**161.891**	**15.265**	**32.155**	**-25.873**	**183.438**
I.		**Shareholders' equity attributable to the shareholders of the parent company**	**161.891**	**15.165**	**32.155**	**-25.873**	**183.338**
	A.	Share capital	176.062	0	225	-225	176.061
	B.	Share premiums	14.650	0	0	0	14.650
	C.	Reserves	-20.812	4.454	28.526	-25.648	-13.480
	D.	Net result of the financial year	-8.009	10.711	3.404	0	6.107
II.		**Minority interests**	**0**	**100**	**0**	**0**	**100**
		LIABILITIES	**314.163**	**110.200**	**44.846**	**-198.780**	**270.429**
I.		**Non-current liabilities**	**201.085**	**1.653**	**0**	**-719**	**202.019**
	A.	Provisions	0	0	0	0	0
	B.	Non-current financial debts	176.458	1.653	0	-719	177.393
	C.	Other non-current financial liabilities	24.627	0	0	0	24.627
	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**	**113.078**	**108.547**	**44.846**	**-198.061**	**68.410**
	A.	Provisions	0	0	0	0	0
	B.	Current financial debts	49.522	1.372	0	-141	50.752
	C.	Other current financial liabilities	0	0	0	0	0
	D.	Trade debts and other current debts	5.783	2.368	617	-1.228	7.540
	E.	Other current liabilities	53.519	102.400	43.030	-198.162	788
	F.	Accrued charges and deferred income	4.255	2.407	1.198	1.470	9.330
		TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**476.054**	**125.465**	**77.001**	**-224.653**	**453.867**

Note 41.3: Segmented profit-and-loss account for 2015

	(EUR x 1.000)	31/12/2015 BE	31/12/2015 FR	31/12/2015 NL	31/12/2015 Elim.	31/12/2015 12 months
I.	Rental income	17.609	10.757	7.072	0	35.438
II.	Write-back of lease payments sold and discounted	0	0	0	0	0
III.	Rental-related charges	-1.205	57	0	0	-1.148
	NET RENTAL INCOME	**16.404**	**10.814**	**7.072**	**0**	**34.290**
IV.	Recovery of property charges	0	0	0	0	0
V.	Recovery of charges and taxes normally borne by tenants on let properties	2.375	2.291	166	0	4.832
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0
VII.	Charges and taxes normally borne by tenants on let properties	-3.116	-2.465	-243	0	-5.824
VIII.	Other rental-related income and expenses	1.314	115	136	0	1.565
	PROPERTY RESULT	**16.978**	**10.755**	**7.131**	**0**	**34.864**
IX.	Technical costs	-43	-71	0	0	-114
X.	Commercial costs	-119	-115	0	0	-233
XI.	Charges and taxes of un-let properties	-102	0	0	0	-102
XII.	Property management costs	-444	-395	0	0	-839
XIII.	Other property charges	-43	0	0	0	-43
	PROPERTY CHARGES	**-751**	**-580**	**0**	**0**	**-1.332**
	PROPERTY OPERATING RESULT	**16.227**	**10.174**	**7.131**	**0**	**33.532**
XIV.	General costs of the company	-2.889	-901	-247	0	-4.037
XV.	Other operating income and expenses	-16	-41	0	0	-58
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	**13.321**	**9.232**	**6.884**	**0**	**29.437**
XVI.	Result on disposal of investment properties	5	0	0	0	5
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	-1.605	4.805	-730	0	2.470
XIX.	Other portfolio result	0	0	0	0	0
	OPERATING RESULT	**11.720**	**14.037**	**6.155**	**0**	**31.912**
XX.	Financial income	5.041	702	0	-5.162	581
XXI.	Net interest charges	-8.672	-4.151	-896	5.162	-8.556
XXII.	Other financial charges	-24	-17	0	0	-41
XXIII.	Changes in fair value of financial assets and liabilites	438	0	0	0	438
	FINANCIAL RESULT	**-3.216**	**-3.466**	**-896**	**0**	**-7.578**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0
	PRE-TAX RESULT	**8.505**	**10.571**	**5.259**	**0**	**24.334**
XXV.	Corporate taxes	-154	-170	0	0	-324
XXVI.	Exit tax	0	0	0	0	0
	TAXES	**-154**	**-170**	**0**	**0**	**-324**
	NET RESULT	**8.351**	**10.401**	**5.259**	**0**	**24.010**
	NET CURRENT RESULT (excl. IAS 39)	**9.513**	**5.596**	**5.988**	**0**	**21.097**
	Number of shares in circulation entitled to the result of the period	9.212	9.212	9.212	9.212	9.212
	NET RESULT PER SHARE	**0,91**	**1,13**	**0,57**	**0,00**	**2,61**
	NET CURRENT RESULT PER SHARE (excl. IAS 39)	**1,03**	**0,61**	**0,65**	**0,00**	**2,29**

The difference in rental income between the above statement and note 1 is due to the rental income of the company SFG, which is consolidated in Belgium. In note 1 this rental income is included in the figures of the Netherlands.

The changes in fair value of investment property amounting to € 2.47 million is due to the positive variation in France that compensates the negative variations in Belgium and to a lesser extent, the Netherlands.
The positive change in France is largely due to the global decrease in investment yield by 50 bps.

Note 41.4: Segmented profit-and-loss account for 2014

	(EUR x 1.000)	31/12/2014 BE	31/12/2014 FR	31/12/2014 NL	31/12/2014 Elim.	31/12/2014 12 months
I.	Rental income	15.131	10.342	2.436	0	27.908
II.	Write-back of lease payments sold and discounted	0	0	0	0	0
III.	Rental-related charges	-1.081	-9	0	0	-1.089
	NET RENTAL INCOME	**14.050**	**10.333**	**2.436**	**0**	**26.819**
IV.	Recovery of property charges	0	0	0	0	0
V.	Recovery of charges and taxes normally borne by tenants on let properties	2.168	2.154	0	0	4.322
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0
VII.	Charges and taxes normally borne by tenants on let properties	-2.629	-2.337	-75	0	-5.041
VIII.	Other rental-related income and expenses	1.131	99	3	0	1.234
	PROPERTY RESULT	**14.720**	**10.250**	**2.364**	**0**	**27.334**
IX.	Technical costs	-65	-18	0	0	-83
X.	Commercial costs	-130	0	0	0	-130
XI.	Charges and taxes of un-let properties	-297	0	0	0	-297
XII.	Property management costs	-376	-219	-68	0	-663
XIII.	Other property charges	-9	0	0	0	-9
	PROPERTY CHARGES	**-877**	**-237**	**-68**	**0**	**-1.183**
	PROPERTY OPERATING RESULT	**13.843**	**10.012**	**2.296**	**0**	**26.151**
XIV.	General costs of the company	-2.499	-770	-70	0	-3.339
XV.	Other operating income and expenses	-33	42	0	0	9
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	**11.312**	**9.284**	**2.226**	**0**	**22.821**
XVI.	Result on disposal of investment properties	176	0	0	0	176
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	-1.964	1.799	1.623	0	1.457
XIX.	Other portfolio result	0	0	0	0	0
	OPERATING RESULT	**9.523**	**11.082**	**3.848**	**0**	**24.453**
XX.	Financial income	1.594	909	0	-2.161	343
XXI.	Net interest charges	-8.150	-1.089	-443	2.161	-7.521
XXII.	Other financial charges	-37	-9	-2	0	-48
XXIII.	Changes in fair value of financial assets and liabilites	-10.796	0	0	0	-10.796
	FINANCIAL RESULT	**-17.389**	**-190**	**-444**	**0**	**-18.023**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0
	PRE-TAX RESULT	**-7.866**	**10.892**	**3.404**	**0**	**6.431**
XXV.	Corporate taxes	-143	-181	0	0	-324
XXVI.	Exit tax	0	0	0	0	0
	TAXES	**-143**	**-181**	**0**	**0**	**-324**
	NET RESULT	**-8.009**	**10.711**	**3.404**	**0**	**6.107**
	NET CURRENT RESULT (excl. IAS 39)	**4.576**	**8.913**	**1.782**	**0**	**15.271**
	Number of shares in circulation entitled to the result of the period	7.782	7.782	7.782	7.782	7.782
	NET RESULT PER SHARE	**-1,03**	**1,38**	**0,44**	**0,00**	**0,78**
	NET CURRENT RESULT PER SHARE (excl. IAS 39)	**0,59**	**1,15**	**0,23**	**0,00**	**1,97**

The "eliminations" column relates to the consolidation entries required in the context of the company's consolidation and has no impact whatsoever on the consolidated result.

In addition to geographical segmentation, the Company also uses sector-specific segmentation in terms of its client base in order to spread the risk profile.

Note 42: Financial risk management

Exposure to the risk of exchange rates, interest rates, liquidity and credit risks are all part of Montea's normal business activities. The company analyses and reviews all of these risks and defines the strategies to be implemented to control the economic impact on the Company's performance. The results of these analyses and then proposed strategies are reviewed regularly and approved by the Board of Directors.

The sensitivity analysis for the interest rate risk is conducted both on the net result and on equity capital. Given that there is no hedging in place, the impact will not differ.

A. Interest rate risk

The Company's long-term and short-term financial debts consist solely of debts with floating interest rates. The Company uses IRS-type financial hedging instruments to cover the interest rate risk. A rise or fall of 100 basis points[102] in the interest rates on our debts with floating interest rates would result in a rise of fall in the market value of the financial hedging instruments (based on the discounted cash flow method) of € 10 million. Note 17 contains a summary of the fair value of the hedging instruments.

As of 31/12/2015, the interest rate risk on lines of credit with variable interest rates was 82% hedged. This means that a rise or fall in interest rates would have a minimal impact on the Company's results. In the event of a rise or fall of 100 basis points, annual interest charges for the Company, calculated at 31 December 2015, would only rise or fall by € 0.5 million[103] (taking the IRS contracts into account).

B. Credit risk

The credit risk is the risk of financial loss for the Company should a client or counterparty default on its contractual obligations. Management has a credit policy and exposure to the credit risk is managed on an ongoing basis. Every new tenant is investigated separately for their creditworthiness before the Company offers a lease agreement. A rental security guarantee of 3 or 6 months is required.

C. Exchange rate risk

The Company's property portfolio consists solely of buildings in Belgium, France and the Netherlands, and all lease contracts are in EURO. This means that the Company is not exposed to any exchange rate risk.

D. Liquidity risk

Note 34 provides a summary of the Company's financial debts and their respective terms. The Company controls its liquidity risk by having sufficient available credit facilities[104] and by gearing receipts and payments as closely as possible to each other.

Note 43: Transactions between associate companies

The transactions between associate companies is limited to the management fee between the statutory manager Montea Management NV and Montea Comm. VA.
At the end of the financial year 2015 the following items were included in the financial statements:

Operational result – Remunerations statutory manager:	€ 664.9K
Debt – Invoices due for the variable part:	€ 19.6K
Debt – Current account Montea Management NV:	€ 235.1K

[102] The calculation is based on a sensitivity analysis of the current IRS contracts.
[103] The calculation is based on a rise and/or drop of the variable interest rates by 1%; taking into account the current IRS contracts.
[104] As of 31/12/2015, Montea had € 205 million in lines of credit, of which € 183 million was already drawn down. This means that Montea still has € 22 million available.

Note 44: Off-balance sheet liabilities

There were no off-balance sheet liabilities for the 2015 financial year.

Note 46: Events after 31 December 2015

To date, no significant agreements have been entered into that are not part of the normal business operations of the Company of which the Montea group is part.

Before the publication of this annual report the following events are worth mentioning:

- **18/02/2016 – Acquisition of a 17,135 m² logistics building in Eindhoven (NL)**

Montea has purchased a distribution centre in Eindhoven - Acht. The building contains 16,700 m² of warehousing and 435 m² of office space on 36,200 m² of land. In view of the building's good location and flexible layout into 4 units, this distribution centre is extremely well suited for purposes such as complex distribution requirements and e-commerce.

The building is leased with a triple net lease for a fixed term of 15 years. This transaction represents an investment of approximately € 18 million and a net initial yield of 6.6% and is in line with the valuation of the property expert.

- **18/02/2016 - Montea develops innovative logistics zone at Blue Gate, Antwerp**

The City of Antwerp, ParticipatieMaatschappij Vlaanderen (PMV) and Waterwegen en Zeekanaal (W&Z) have selected Blue O'pen as a partner for the remediation and redevelopment of Petroleum Zuid in Antwerp (ca. 63 hectares). Blue O'pen is a consortium of DEME and Bopro. For the development of and investment in the 6.5 hectares logistics zone at Blue Gate, the consortium opted for an exclusive partnership with Montea.

Peter Demuynck, Montea CCO: We are always looking for innovative solutions for the logistics sector. In the second half of 2017, we will start to develop a CO_2 neutral logistics park at this unique location, at the edge of the city and the water, with special focus on the innovative logistics trends and urban distribution. The total development will represent an estimated € 26 million investment value upon completion.

Montea «Space for Growth» - Artist Impression Blue Gate, Antwerpen

➢ 18/02/2016 – Acquisition of 46,000 m² of land to develop a built-to-suit project in Bornem (BE)

Montea acquired a 4.6-hectare plot of land in Bornem from Beherman Invest NV **(part of Beherman Group)**. The site is strategically located in the "golden triangle" between Brussels/Antwerp/Ghent, in the immediate vicinity of the A12/E17 motorways. The existing building will be demolished and the site totally redeveloped. Montea has already begun marketing the site for a built-to-suit logistics building development of +/- 26,000 m². This acquisition was financed with bank debt.

Montea "Space for Growth" - Site at Bornem – Built-to-suit (BE)

This transaction represents an investment value of € 4.6 million.

➢ 18/02/2016 – Signing of two new lease agreements (BE)

The Bornem site (2-24 Industrielaan), which has a total floor area of 14,343 m², is now fully leased. Montea and the Belgian Buildings Agency have signed a 9-year lease. The agreement extends to 8,760 m² of warehousing, 590 m² of office space and 37 parking spaces. The Belgian Buildings Agency will use the site to store goods that have been seized. The transaction was brokered by Hugo Ceusters NV.


Montea «Space for Growth» - Site Bornem (BE)

The remaining available space of 1,206 m² is leased to Beherman Motors NV (part of the Beherman Group) for a term of 9 years, with the first break after 3 years. Beherman Group (www.behermangroup.com) is the official Mitsubishi importer for Belgium and Luxembourg and will use the site for workshops and warehousing.

Together, these two transactions represent an annual rental income of approximately € 0.45 million.

➢ 18/02/2016 – Handover of build-to-suit building for Movianto in Erembodegem (BE)[105]

In June 2015 Montea began the development of an additional distribution centre for Movianto at Industriezone Zuid IV in Erembodegem. The 15,900 m² state-of-the-art logistics distribution centre, with GDP-compliant (2,900 m²) cross-docking spaces (+2+8°C and +15°C+25°C) and adjoining offices was handed over on schedule in January 2016. The building will be leased for a fixed period of 9 years, with the starting rent approximately € 1 million per year.

Montea "Space for Growth" - Site at Erembodegem, Waterkeringsstraat (BE)

➢ Handover of built-to-suit building for CdS in Vorst (BE)[106]

As part of the redevelopment plan for the site in Vorst, Montea began work in April 2015 on the development of a second sustainable built-to-suit project for CdS in Vorst. The 10,500 m² distribution centre was handed over on schedule on 15/02/2016. The building will be leased for a fixed term of 15 years, with an initial rent of approximately € 0.5 million per year.

Montea "Space for Growth" - Site at Vorst - CdS (BE)

[105] For more information, please see our press release of 26/06/2015 or visit www.montea.com.
[106] For more information, please see our press release of 03/04/2015 or visit www.montea.com.

➢ 23/03/2016 – Montea finalizes a successful capital increase of € 9,114,605 throught the issue of 447,231 new shares as remuneration for a contribution in kind[107]

Montea announced in its press release of September 17, 2015 the partnership agreement with MG Real Estate (De Paepe Group) for the development of a logistics complex for an American multinational at MG Park De Hulst in Willebroek. This development stands on a land of about 48,000 m² and consists of 27,100 m² warehouses, 800 m² offices and 1,100 m² mezzanine. It is owned by the real estate companies Nyssa NV and Robinia One SA.

Montea announces the acquisition of the above mentionned land and logistics building through the contribution in kind of 100% of the shares of the two aforementioned companies.

The contribution in kind was composed of a mixed remuneration: a renumeration in cash and a remuneration in new Montea shares.

The new Montea shares were issued as a result of a capital increase under the authorized capital[108], through decision of the statutory manager of Montea on March 23, 2016. The transaction resulted in a strengthening of the equity by € 16,212,123.75, of which an amount of € 9,114,605 was allocated to the section capital and an amount of € 7,097,518.75 was allocated to the section issue premiums.

The despositor was remunerated by 447,231 new shares Montea totaling € 16,212,123.75 and a remuneration in cash totaling € 2,600,000. The issue price of the new shares used in the context of this transaction amounts to € 36.25 per share. The 447,231 new issued Montea shares are ordinary shares that have the same rights as the existing shares. They will contribute in the results for the full year 2016. The admission for trading of the new shares on Euronext Brussels and Paris will be requested as soon as possible.

107 For more information we refer to the press release of 23/03/2016 or www.montea.com.
108 Contribution in kind in Montea throught 100% shares of Nyssa NV and Robinia One NV.

7.7.2 Statutory auditor's report to the general meeting of the company Montea Comm VA for the year ended 31 December 2015[109]

Free translation from the Dutch original

In accordance with the legal requirements, we report to you in the context of our statutory auditor's mandate. This report includes our opinion on the consolidated balance sheet as at 31 December 2015, the consolidated statement of comprehensive income before profit allocation, the consolidated overall result before the distribution of profit, the summary of the variation in the consolidated equity capital and the consolidated cash flow summary for the year ended 31 December 2015 and the notes (all elements together "the Consolidated Financial Statements"), and includes as well our report on other legal and regulatory requirements.

Report on the Consolidated Financial Statements - Unqualified opinion

We have audited the Consolidated Financial Statements of Montea Comm VA ("the Company") and its subsidiaries (together "the Group") as of and for the year ended 31 December 2015, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, which show a consolidated balance sheet total of € 549,685 thousand and of which the consolidated income statement shows a profit for the year of € 24,010 thousand.

Responsibility of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of Consolidated Financial Statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the given circumstances.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

[109] EY bedrijfsrevisoren, represented by Mrs Christel Weymeersch, has agreed with with the inclusion of the statement or the report and with the form and context in which this statement or report is included.

In making those risk assessments, the statutory auditor considers internal control relevant to the Group's preparation and presentation of the Consolidated Financial Statements that give a true and fair view, 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.

An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We have obtained from the Board of Directors and the Company's officials the explanations and information necessary for performing our audit and 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 Group as at 31 December 2015 give a true and fair view of the consolidated net equity and financial position, as well as its consolidated results and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

The Board of Directors is responsible for the preparation and the content of the Board of Director's report on the Consolidated Financial Statements, in accordance with article 119 of the Belgian Company Code.

In the context of our mandate and in accordance with the additional standard issued by the 'Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises' as published in the Belgian Gazette on 28 August 2013 (the "Additional Standard"), it is our responsibility to perform certain procedures to verify, in all material respects, compliance with certain legal and regulatory requirements, as defined in the Additional Standard. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the Consolidated Financial Statements.

The Board of Director's report to the Consolidated Financial Statements includes the information required by law, is consistent with the Consolidated Financial Statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

Brussels, 21 April 2016

Ernst & Young Bedrijfsrevisoren BCVBA
Statutory auditor
represented by

Christel Weymeersch
Partner*
* Acting on behalf of a BVBA/SPRL

7.8 Statutory financial accounts in shortened form of Montea Comm. VA as of 31 December 2015

In accordance with the provisions in Article 105 of the Belgian Company Code, the financial statements of Montea Comm. VA are presented as follows in shortened format.

7.8.1 Statutory balance sheet as of 31 December 2015 (in thousands of EUR)

BALANCE SHEET EUR (x 1.000)	IFRS - 31/12/2015 12 months	IFRS - 31/12/2014 12 months	IFRS - 31/12/2013 12 months
ASSETS			
NON-CURRENT ASSETS	**403.124**	**302.117**	**275.588**
A. Goodwill	0	0	0
B. Intangible non-current assets	214	125	114
C. Investment properties	288.391	241.902	228.270
D. Other tangible non-current assets	10.500	7.655	7.651
E. Financial non-current assets	103.987	52.405	39.521
F. Finance lease receivables	0	0	0
G. Trade receivables and other non-current assets	32	31	31
H. Deferred taxes - Assets	0	0	0
CURRENT ASSETS	**135.716**	**141.641**	**59.941**
A. Assets held for sale	0	3.775	0
B. Current financial assets	0	0	0
C. Finance lease receivables	0	0	0
D. Trade receivables	4.640	8.603	4.780
E. Tax receivables and other current assets	110.286	116.821	45.025
F. Cash and cash equivalents	3.427	3.183	3.029
G. Deferred charges and accrued income	17.363	9.259	7.107
TOTAL ASSETS	**538.840**	**443.758**	**335.529**

LIABILITIES			
SHAREHOLDERS' EQUITY	**207.779**	**182.946**	**138.457**
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	**207.779**	**182.946**	**138.457**
A. Capital	185.289	176.062	137.537
B. Share premium	20.893	14.650	1.771
C. Reserves	-22.427	-13.894	-16.821
D. Net result of the financial year	24.024	6.128	15.970
LIABILITIES	**331.061**	**260.812**	**197.072**
NON-CURRENT LIABILITIES	**290.848**	**201.384**	**158.148**
A. Provisions	0	0	0
B. Non-current financial debts	266.660	176.757	144.318
C. Other non-current financial liabilities	24.188	24.627	13.830
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	**40.213**	**59.428**	**38.924**
A. Provisions	0	0	0
B. Current financial debts	27.491	50.752	28.529
C. Other current financial liabilities	0	0	0
D. Trade debts and other current debts	5.013	1.599	2.216
E. Other current liabilities	14	1.517	2.290
F. Accrued charges and deferred income	7.695	5.560	5.889
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**538.840**	**443.758**	**335.529**

7.8.2 Statutory profit and loss account as of 31 December 2015 (in thousands of EUR)

PROFIT AND LOSS ACCOUNT EUR (x 1.000)	IFRS - 31/12/2015 12 months	IFRS - 31/12/2014 12 months	IFRS - 31/12/2013 12 months
I. Rental income (+)	22.038	19.208	18.102
II. Write-back of lease payments sold and discounted (+)	0	0	0
III. Rental-related charges (+/-)	-1.076	-982	-278
NET RENTAL RESULT	**20.962**	**18.226**	**17.824**
IV. Recovery of property charges (+)	0	0	0
V. Recovery of charges and taxes normally payable by tenants on let properties (+)	3.239	2.877	2.703
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 (-)	-3.926	-3.322	-3.232
VIII. Other rental-related charges and income (+/-)	1.378	1.182	1.252
PROPERTY RESULT	**21.654**	**18.964**	**18.547**
IX. Technical costs (-)	-47	-66	-14
X. Commercial costs (-)	-146	-130	-76
XI. Charges and taxes of un-let properties (-)	-102	-297	-255
XII. Property management costs (-)	-588	-359	-227
XIII. Other property charges (-)	-43	-9	-39
PROPERTY CHARGES	**-926**	**-862**	**-611**
PROPERTY OPERATING RESULT	**20.728**	**18.102**	**17.936**
XIV. General costs of the company (-)	-3.472	-3.024	-3.412
XV. Other operating income and expenses (+/-)	854	-58	-17
OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	**18.110**	**15.020**	**14.507**
XVI. Result on sale of investment properties (+/-)	5	176	716
XVII. Result on sale of other non-financial assets (+/-)	0	0	0
XVIII. Changes in fair value of investment properties (+/-)	462	-1.772	-3.448
XIX. Other portfolio result (+/-)	0	0	0
OPERATING RESULT	**18.576**	**13.424**	**11.776**
XX. Financial income (+)	6.536	2.487	1.050
XXI. Net interest charges (-)	-12.154	-7.580	-6.242
XXII. Other financial charges (-)	-30	-36	-27
XXIII. Changes in fair value of financial assets and liabilities (+/-)	11.367	-1.962	9.605
FINANCIAL RESULT	**5.718**	**-7.090**	**4.386**
PRE-TAX RESULT	**24.294**	**6.333**	**16.162**
XXV. Corporate taxes (-)	-270	-206	-192
XXVI. Exit tax (-)	0	0	0
TAXES	**-270**	**-206**	**-192**
NET RESULT	**24.024**	**6.128**	**15.970**
Average Number of shares in the period	9.001	7.782	6.537
NET RESULT (normal / diluted) PER SHARE in euro	**2,67**	**0,79**	**2,44**

7.8.3 Abbreviated statutory statement of comprehensive income before profit appropriation at 31 December 2015 (in thousands of EUR)

Abbreviated statutory statement of compr. income before profit appropriation (EUR x 1.000)	31/12/2015 12 months	31/12/2014 12 months	31/12/2013 12 months
Net result	**24.024**	**6.128**	**15.970**
Other elements of the global result	**8.732**	**-872**	**-781**
Items taken in the result:	**8.732**	**-809**	**-590**
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	8.732	-809	-590
Variations in the effective part of the fair value of admitted hedging instruments in a cah flow hedge	0	0	0
Items not taken in the result:	**0**	**-63**	**-191**
Impact of changes in faire value of solar panels	0	-63	-191
Global result	**32.757**	**5.256**	**15.189**
Attributable to:			
Shareholders of the main company	23.193	5.256	15.189
Minorities	0	0	0

7.8.4 Proposal for appropriation as of 31 December 2015 (in thousands of EUR)

RESULT FOR APPROPRIATION EUR (x 1.000)		IFRS - 31/12/2015 12 months	IFRS - 31/12/2014 12 months	IFRS - 31/12/2013 12 months
A.	**NET RESULT**	**24.024**	**6.128**	**15.970**
B.	**ADDITION TO / WITHDRAWAL FROM RESERVES (-/+)**	**-5.323**	**9.134**	**-3.224**
1.	**Addition to / withdrawal from reserves for the (positive or negative) net amount in the changes in fair value of investment properties (-/+)**	**-462**	**1.772**	**3.428**
1a.	financial year	-462	1.772	3.428
1b.	previous financial years	0	0	0
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 (-/+)**	**0**	**0**	**0**
3.	**Addition 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**	**0**
3a.	financial year	0	0	0
3b.	previous financial years	0	0	0
4.	**Addition 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**	**0**
4a.	financial year		0	0
4b.	previous financial years	0	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 (-)**	**-11.367**	**1.962**	**-5.497**
5a.	financial year	-11.367	1.962	-5.497
5b.	previous financial years	0	0	0
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**	**0**
6a.	financial year	0	0	0
6b.	previous financial years	0	0	0
7.	**Addition to / withdrawal from reserves of the net amount of exchange rate differences on monetary assets and liabilities (-/+)**	**0**	**0**	**0**
8.	**Addition to / withdrawal from reserves of deferred taxes on investment properties located abroad (-/+)**	**0**	**0**	**0**
9.	**Addition to / withdrawal from reserves for the dividends received, used for the reimbursement of the financial debts (-/+)**	**0**	**0**	**0**
10.	**Addition to / withdrawal from other reserves (-/+)**	**6.505**	**5.400**	**-1.155**
11.	**Addition to / withdrawal from results carried forward from previous financial years (-/+)**	**0**	**0**	**0**
C.	**REMUNERATION OF THE CAPITAL IN ACCORDANCE WITH ART. 13**	**9.910**	**7.849**	**7.447**
D.	**REMUNERATION OF THE CAPITAL, - OTHER THAN C**	**8.790**	**7.412**	**5.299**

7.8.5 Mandatory distribution as of 31 December 2015 (in thousands of EUR)

According to art. 13 of the RREC RD Montea must pay out, as remuneration of the capital, 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 section 4 of part 1 of chapter 1 of the appendix C of the RREC RD:

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 public RREC during the financial year.

ARTICLE 27 MANDATORY DISTRIBUTION **EUR (x 1.000)**	**IFRS - 31/12/2015** **12 months**
Positive difference (1) - (2)	**9.910**
80% of the amount defined by the scheme in Annex C of Chapter III (1)	**9.910**
Corrected result (A) + net gains (B)	12.387
Corrected Result + net realized gains on property not exempt from the mandatory distribution (A)	12.387
Net result	24.024
+ Amortizations	196
+ Depreciations	2
- Write-back of depreciations	-2
- Write-back of lease payments sold and discounted	0
+/- Other non-monetary elements	-11.367
+/- Result on sale of property	-5
+/- Changes in fair value of property	-462
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	68.552
Total Liabilities	70.249
Non-current liabilities - authorized hedges	-438
Non-current liabilities - provisions	0
Non-current liabilities - deferred taxes	0
Current liabilities - authorized hedges	0
Current liabilities - provisions	0
Current liabilities - transitory Accounts	2.136

According to this calculation Montea is obliged to pay a dividend of € 9,910K.

7.8.6 Art. 617 Company Code

As a company, Montea is required to abide by art. 617 of the Companies' Code, whereby the net assets may not fall by way of dividend payment to below the amount of the capital and the unavailable reserves.

According to the table below, Montea still has a buffer of € 16,443K after paying the proposed dividend of € 2.03 per share.

ARTICLE 617 OF THE COMPANY CODE EUR (x 1.000)	IFRS - 31/12/2015 12 months	IFRS - 31/12/2014 12 months	IFRS - 31/12/2013 12 months
Paid-up capital or if larger, called-up capital (+)	185.289	176.062	137.537
Share premium account unavailable for distribution according to the articles of association (+)	20.893	14.650	1.771
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 (-)	-9.942	-8.898	-8.089
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 (+/-)	-24.188	-24.627	-13.830
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	-251	-639	-639
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 (+)	1	1	1
Legal reserve (+)	835	835	829
Non-distributable shareholders' equity in accordance with Article 617 of the company code	**172.636**	**157.384**	**117.580**
Net assets before distribution of dividends	207.779	182.946	138.457
Proposed dividend payments	18.700	15.262	12.978
Net assets after distribution of dividends	**189.079**	**167.684**	**125.479**
Remaining margin after dividend distribution	**16.443**	**10.300**	**7.899**

* This is the balance based on the fair value of the property, including variations in the fair value of the property in the subsidiaries, since the latter are also non-distributable reserve. Those are non-cash items. The other variations in the fair value of the subsidiary, or the net current result, are relevant and thus relate to a distributable reserve.

The remaining margin, after dividend payment, has risen at the end of 2015 to € 16,443K because the net asset value of the RREC increased relatively more than the amount of non-distributable equity (both calculated in accordance with article 617 Company Code).

7.8.7 Summary of the variations in the statutory equity capital and reserves at 31st December 2015

CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1.000)	Share capital	Share premiums	Reserves	Result	Deduction of transfer rights and costs	Shareholders' equity
ON 31/12/2013	**137.537**	**1.771**	**-8.732**	**15.970**	**-8.089**	**138.456**
Elements directly recognized as equity						
Capital increase	38.524	12.879	0	0	0	51.403
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	809	0	-809	0
Positive change in value of solar panels (IAS 16)	0	0	-63	0	0	-63
Own shares	0	0	0	0	0	0
Own shares held for employee option plan	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0
Corrections	1	0	-2	0	0	-1
Subtotal	**0**	**0**	**2.992**	**-9.843**	**0**	**-6.850**
Dividends	0	0	-12.978	0	0	-12.978
Result carried forward	0	0	15.970	-15.970	0	0
Result for the financial year	0	0	0	6.128	0	6.128
	0	0	0	0	0	0
ON 31/12/2014	**176.062**	**14.650**	**-4.996**	**6.128**	**-8.898**	**182.946**
Elements directly recognized as equity	**9.227**	**6.243**	**1.645**	**0**	**-1.044**	**16.070**
Capital increase	9.227	6.243	0	0	0	15.470
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	1.044	0	-1.044	0
Positive change in value of solar panels (IAS 16)	0	0	213	0	0	213
Own shares	0	0	387	0	0	387
Own shares held for employee option plan	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0
Corrections	0	0	0	0	0	0
Subtotal	**185.289**	**20.893**	**-3.351**	**6.128**	**-9.942**	**199.016**
Dividends	0	0	-15.262	0	0	-15.262
Result carried forward	0	0	6.128	-6.128	0	0
Result for the financial year	0	0	0	24.024	0	24.024
	0	0	0	0	0	0
ON 31/12/2015	**185.289**	**20.893**	**-12.485**	**24.024**	**-9.942**	**207.779**

8. Permanent documents

8.1 General information

Montea is a public regulated real estate company under Belgian law specialised in developing and managing logistics real estate in Belgium, France and the Netherlands. 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 an RREC began on 1 October 2006, by joining different property portfolios. The company is a leading player on this growing market. In this context, Montea offers its clients more than merely storage space, namely 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).

Its French permanent establishment has been granted SIIC (Société d’Investissements Immobiliers Cotée) status.

To realize its real estate investments in the Netherlands Montea applied in September 2013 for the application of the tax regime of the 'Fiscal Investment (hereinafter FBI) under Article 28 of the Corporate Tax Act 1969. This application is currently in treatment at the Dutch Ministry of Finance and the Dutch tax authorities. It is to be expected that the processing of the application will be completed in the calendar year 2016.

8.1.1 Registered office

The registered and administrative office of Montea Comm. VA in Belgium is at B-9320 Erembodegem (Aalst) Industrielaan 27. The headquarters of the permanent establishment in France, Montea SCA, established on 1 October 2010 are located at F-75008 Paris, 18- 20 Place de la Madeleine. The headquarters of the permanent establishment in the Netherlands, Montea Nederland NV, established on 25 September 2013 are at 1118 BH Amsterdam Schiphol, WTC, Schiphol Airport, Schiphol Boulevard 231. Since 5th December 2015, the registered office of Montea Nederland NV has been located at 5032 MD Tilburg, EnTrada, Ellen Pankhurstraat 1c.

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 establishment 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.

The subsidiary in the Netherlands is registered at Schiphol under the RSIN/FI-number 853208785. Its VAT number is NL853208785B01.

8.1.3 Founding, company type and publication

Montea, the Joint Stock Company under Belgian law,[110] was established on 26th February 1977 in the form of a public limited company under the name of Parou, in accordance with a deed executed before Notary Eric Loncin in Puurs, published in the Annexes to the Belgian Official Gazette on 16th March 1977, under number 836-1. Since 1st October 2006, Montea has been accredited as a public property investment company, with fixed capital under Belgian law, abbreviated to a public property trust (sicafi) under Belgian law, registered with the FSMA.

On 22nd September 2014, Montea was accredited by the FSMA as a public regulated real estate company under Belgian law. This accreditation came into effect on 30th September 2014, this being the date on which the extraordinary general meeting of Montea voted to accept the new status.

The Company is subject to the Act of 12th May 2014 and the Royal Decree of 13th July 2014 regarding regulated real estate companies.

The articles of association have been amended on several occasions, most recently on 12th June 2015, pursuant to a deed executed before notary Vincent Vroninks in Elsene.

The Company makes a public appeal for savings funds in the sense of article 438 of the Companies' Code.

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 financial year that started on 1 October 2006 and closed on 31 December 2007 and thus lasted 15 months.

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 of directors, 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.

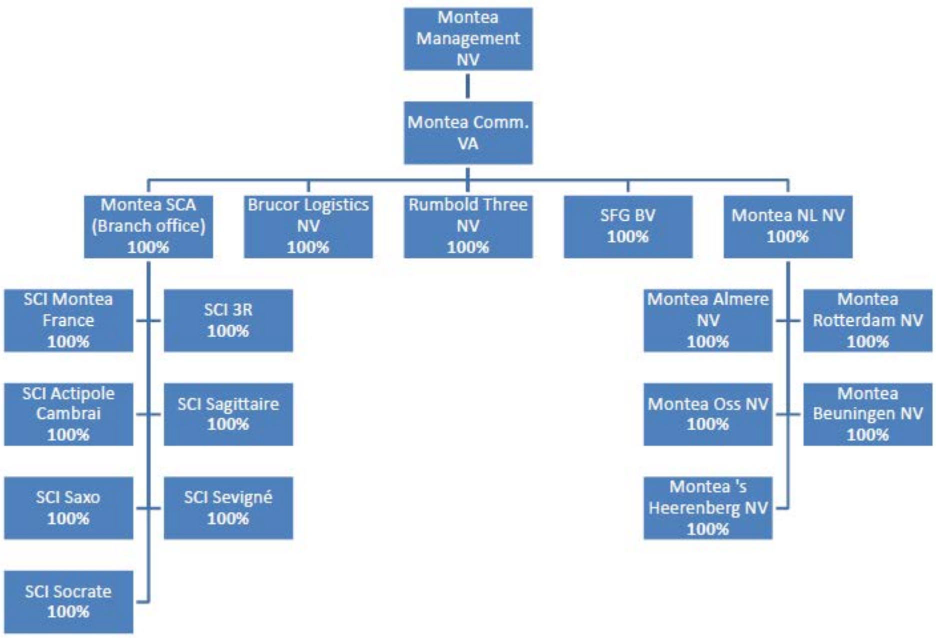
---

[110] NV Parou was established on 26th February 1977 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. On 1st October 2006, the public limited company was converted to a joint stock company.

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 registered shareholders and to the individuals requesting them. The annual reports include the conclusions of the reports of the property expert and the report of the auditor.

8.1.7 Group structure

The Montea Group included the following companies at 31/12/2015:



Montea Management NV
Industrielaan 27, box 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 manager assesses a fee from the company each year for the carrying out of its functions[111].

[111] See chapter "Remuneration of the Manager and the Board of Directors".

1. **Montea Comm. VA**
   Industrielaan 27, bus 6, B-9320 Erembodegem (Aalst)
   RPR-RCB Dendermonde 417.186.211 | VAT BE0417.186.211
   Montea Comm. VA is a public regulated real estate company under Belgian law, regulated by the Law of 12 May 2014 and the RD of 13 July 2014 on RRECs.

2. **Montea SCA[112] (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.

   a. **SCI[113] Montea France (100%)**
      Registered office: FR-75008 Paris, 18-20 Place de la Madeleine
      RCS PARIS 493 288 948 00018 | VAT FR33493288948

   b. **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 € 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 building. In the final quarter of 2007, the option for purchasing the building was also drawn up by SCI 3R[114].

   c. **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

   d. **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

   e. **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

   f. **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

   g. **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

---

[112] Société d'Investissements Immobiliers Cotée.
[113] Société Civile Immobilière or civil property company.
[114] The current tenant Debflex is still owner of 5% of the shares of SCI 3R.

3. **Rumbold Three NV (100%)**
   Registered office: Industrielaan 27, box 6, B-9320 Erembodegem (Aalst)
   VAT BE 0885.445.197

4. **Brucor Logistics NV (100%)**
   Registered office:Industrielaan 27, box 6, B-9320 Erembodegem (Aalst)
   VAT BE 0534.920.851

5. **SFG BV (100%)**
   Registered office: Industrielaan 27, bus 6, B-9320 Erembodegem (Aalst)
   VAT NL853810151B01

6. **Montea Nederland NV (100%)**
   Registered office: EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg | VAT NL853208785B01

   a. **Montea Almere NV (100%)**
      Registered office: EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg | VAT NL853209625B01

   b. **Montea Rotterdam NV (100%)**
      Registered office: EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg | VAT NL853631712B01

   c. **Montea Oss NV (100%)**
      Registered office: EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg | VAT NL854488522B01

   d. **Montea Beuningen NV (100%)**
      Registered office: EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg | VAT NL854488339B01

   e. Montea ‘s Heerenberg NV (100%)
      Registered office: EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg | VAT NL854800232B01

For the purpose of carrying out its property investments in the Netherlands, in September 2013 Montea lodged a request for the application of the ‘Tax Investment Institution’ (hereinafter TII) fiscal system, as dealt with in article 28 of the Corporation Tax Act 1969. This request is currently being processed by the Dutch Ministry of Finance and the Dutch Tax Department.

At the end of the 2015 financial year, the company headcount was 13 persons, 10 of whom are employed in Belgium and 3 in France.
The operational management of the public RREC is carried out by an internal team of Montea in Belgium, in France and in the Netherlands, assisted where required by external advisers in the Netherlands. It puts forward efficient and flexible solutions for improving the quality and sustainability of the portfolio.

The operational technical management and maintenance of the buildings, as well as the coordination of current building and renovation works, are monitored by Montea’s own staff. The team submits a maintenance and renovation schedule to the investment committee and the Board of Directors to safeguard the optimum profitability of the portfolio in the long term.

The table below presents a summary of the portfolio of the RREC and its subsidiaries on an individual basis.

MONTEA SPACE FOR GROWTH	Number of sites	Fair Value of the portfolio (K€)	Fair value of solar panels (K€)	Fair Value of the developments (K€)
Portfolio	**45**	**480.721**	**10.369**	**25.640**
Belgium	**21**	**225.438**	**10.369**	**12.344**
Montea Comm.VA	19	205.273	10.369	12.344
Brucor Logistics	1	5.240	0	0
Rumbold Three NV	1	14.925	0	0
France	**16**	**120.725**	**0**	**0**
SCA Montea	6	62.495	0	0
SCI Montea France	4	27.525	0	0
SCI 3R	1	1.495	0	0
SCI Actipole Cambrai	1	6.220	0	0
SCI Sagittaire	1	8.010	0	0
SCI Sevigné	1	7.600	0	0
SCI Socrate	1	5.015	0	0
SCI Saxo	1	2.365	0	0
Netherlands	**8**	**120.571**	**0**	**0**
Montea Almere NV	1	15.800	0	0
Montea Rotterdam NV	1	14.600	0	0
Montea Beuningen NV	1	13.660	0	0
Montea Oss	1	14.700	0	0
Montea 's Heerenberg	4	61.811	0	0
SFG BV	0	0	0	0

8.2 Registerd capital

Montea's consolidated company capital is € 187,735,233, including the costs for capital raising and variations in the value of own shares.

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) Partial split throught transfer to Montea of the company activities of Unilever Belgium BVBA	21.972	729.747
ON 31/12/2008	**84.352**	**3.585.354**
Capital decrease (press release 7 December 2009) Capital decrease through incorporation of losses (EUR 84,352,467.07 to EUR 68,964,362.33)	-15.388	0
ON 31/12/2009	**68.964**	**3.585.354**
Capital increase (press release 7 May 2010) Emission of 2,048,772 new shares (EUR 19,50 per share)	39.418	2.048.772
ON 31/12/2010	**108.382**	**5.634.126**
	0	0
ON 31/12/2011	**108.382**	**5.634.126**
Capital increase (press release 11 December 2012) for the acquisition of shares of Warehouse 9 throught purchase/sale agreement	21.104	814.148
ON 31/12/2012	**129.486**	**6.448.274**
Capital increase (press release 19 June and 19 December 2013) Acquisition of shares of Acer Parc NV through purchase/sale agreement (see press release 19 June 2013)	2.804	139.622
Capital increase in the context of authorized capital Acquisition through contribution in kind of shares of Ghent Logistics NV (see press release 19 December 2013)	6.477	221.066
ON 31/12/2013	**138.767**	**6.808.962**
Capital increase in the context of authorized capital (see press release 24 June 2014)	39.648	1.945.416
ON 31/12/2014	**178.415**	**8.754.378**
Capital incease by contribution in kind of site in Apeldoorn (see press release of 04/06/2015)	4.363	214.110
Stock Dividend (see press release of 12/06/2015)	4.957	243.213
ON 31/12/2015	**187.735**	**9.211.701**

The capital is represented by 9,211,701 completely paid up ordinary shares with no par value. 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 was authorised by the extraordinary general meeting held on 30th September 2015 to increase the share capital on the dates and terms decided by the Manager, on one or more occasions, by the amount of € 178,414,971.96. This authorisation is valid for a period of five years from this publication of the minutes of the extraordinary general meeting, i.e. until 21st October 2019. This authorisation is renewable.

Since 30/09/2014 use has twice been made of authorised capital. The first time was on 3rd June 2015 with the capital increase amounting to € 4,363,580.10 in the context of the (indirect) contribution in kind of the Apeldoorn site in the Netherlands; and for the second time on 12th June 2015 with the capital increase amounting to € 4,956,680.94 in the context of the optional dividend.

On 23/03/2016 another capital increase was realized for an amount of € 9.1 million, within the scope of the contribution in kind of the site at De Hulst in Willebroek. For more information we refer to item 4.8 in this annual report.

8.3 Statements

8.3.1 Responsible persons

The Manager of Montea, Montea Management NV, with registered office at Industrielaan 27, 9320 Erembodegem, is responsible for the information provided in this annual financial report. The 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

The statutory Manager, Montea Managmeent NV, certifies that the information provided by the experts and the recognised auditor was faithfully reproduced. To the extent that the statutory manager 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 misleading[115].

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.

[115] Montea hereby confirms that it has received permission for publishing the information of third parties in this report.

8.3.4 Arbitration procedures

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 fee[116].
- the directors do not own shares of Montea.
- the fact that up to now, with exeption of the executive directors and some members of the executive management, no options for shares of Montea have been granted.

No changes of any significance have occurred since 31st December 2015 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 statutory financial statements of 2015 are compared with the financial accounts of 2014 and 2013. For more information regarding the notes over 2014 and 2013, we refer to the respective annual reports of 2014 and 2013 published on the website of Montea (www.montea.com).

[116] See chapter "Executive Management and day-to-day management of the Manager"

8.4 Articles of Association

The most recent version dates from the capital increase of 12 June 2015 and is only available in Dutch and in French. Each amendment to the articles of association of Montea has to be made in accordance with the rules set forth in the Company Code, the RREC Act and the RREC RD.

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 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 Moyersoen**, notaris te Aalst, vervangende zijn ambtsgenoot 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 Moyersoen**, notaris te Aalst, vervangende zijn ambtsgenoot 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 Moyersoen**, voornoemd, vervangende zijn ambtsgenoot 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, op 20 december 2012, houdende wijziging aan de statuten, waarvan een uittreksel werd bekendgemaakt in de bijlagen bij het Belgisch Staatsblad van 24 januari 2013, onder nummer 13014427.
- proces-verbaal opgemaakt door notaris **Vincent Vroninks**, geassocieerd notaris te Elsene, op 20 juni 2013, houdende vaststelling kapitaalverhoging in het kader van het toegestaan kapitaal door middel van een inbreng in natura in de context van een keuzedividend – wijziging aan de statuten, waarvan een uittreksel werd bekendgemaakt in de bijlagen bij het Belgisch Staatsblad van 3 juli daarna, onder nummer 0101481.
- proces-verbaal opgemaakt door notaris **Vincent Vroninks**, geassocieerd notaris te Elsene, op 19 december 2013, houdende vaststelling kapitaalverhogingen in het kader van het toegestaan kapitaal door middel van een inbreng in natura – wijziging aan de statuten, bekendgemaakt in de bijlagen bij het Belgisch Staatsblad van 6 januari daarna, onder nummer 14006289.
- proces-verbaal opgemaakt door notaris **Vincent Vroninks**, geassocieerd notaris te Elsene, op 24 juni 2014, houdende vaststelling kapitaalverhogingen in het kader van het toegestaan kapitaal – wijziging aan de statuten, bekendgemaakt in de bijlagen bij het Belgisch Staatsblad van 31 juli daarna, onder nummer 14147364.
- proces-verbaal opgemaakt door notaris **Stijn Raes**, geassocieerd notaris te Gent, vervangende zijn ambtgenoot, notaris Vincent Vroninks, voornoemd, territoriaal belet, op 30 september 2014, houdende ondermeer machtiging inzake het toegestaan kapitaal – wijziging aan de statuten – doelwijziging).
- proces-verbaal opgemaakt door notaris **Vincent Vroninks**, geassocieerd notaris te Elsen, op 12 juni 2015, houdende vaststelling van kapitaalverhoging in het kader van het toegestaan kapitaal - 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, op 12 juni 2015.

STATUTEN:

TITEL I- AARD VAN DE VENNOOTSCHAP

Artikel 1 - Vorm en benaming

1.1. De Vennootschap heeft de vorm van een commanditaire vennootschap op aandelen met de benaming: "Montea".

1.2. De Vennootschap is een openbare gereglementeerde vastgoedvennootschap (afgekort, openbare GVV) zoals bedoeld in artikel 2 2°, van de wet van 12 mei 2014 betreffende de gereglementeerde vastgoedvennootschappen (hierna de GVV wet genoemd) waarvan de aandelen zijn toegelaten tot de verhandeling op een gereglementeerde markt en die haar financiële middelen in België of in het buitenland aantrekt via een openbaar aanbod van aandelen.

De maatschappelijke benaming van de Vennootschap wordt voorafgegaan of gevolgd door de woorden “openbare gereglementeerde vastgoedvennootschap naar Belgisch recht" of "Openbare GVV naar Belgisch recht" en alle documenten die van de Vennootschap uitgaan bevatten dezelfde vermelding. De Vennootschap is onderworpen aan de GVV wet en aan het koninklijk besluit van 13 juli 2014 betreffende de gereglementeerde vastgoedvennootschappen (hiema het GVV koninklijk besluit genoemd) (deze wet en dit koninklijk besluit worden hierna samen de GVV wetgeving genoemd).

1.3. De Vennootschap doet een openbaar beroep op het spaarwezen zoals bedoeld in het artikel 438 van het Wetboek van vennootschappen.

Artikel 2 - Beherende vennoten - Aandeelhouders

De Vennootschap is samengesteld uit twee categorieën van vennoten:

1. de naamloze vennootschap Montea Management, beherende vennoot die onbeperkt aansprakelijk is voor de verbintenissen van de Vennootschap. De beherende vennoot neemt de functies waar van het beheer van de vennootschap overeenkomstig het artikel 11 van de statuten.

2. de aandeelhouders die slechts aansprakelijk zijn ten belope van hun inbreng en dit zonder hoofdelijkheid. Zij mogen zich in geen enkel geval mengen met het beheer van de Vennootschap. Zij kunnen echter wei handelen in de hoedanigheid van lasthebber.

Artikel 3 - Zetel

De maatschappelijke zetel is gevestigd te B-9320 Erembodegem, Industrielaan 27. Hij kan bij eenvoudig besluit van de zaakvoerder worden overgebracht naar eender welke andere plaats in België mits naleving van de taalwetten; de zaakvoerder geniet de volledige bevoegdheid om de wijziging in de statuten die eruit voortvloeit authentiek te Iaten vaststellen.

De Vennootschap kan bij eenvoudig besluit van zaakvoerder zowel in België als in het buitenland administratieve zetels, filialen of agentschappen oprichten.

Artikel 4 - Doel

4.1. De Vennootschap heeft uitsluitend als doel:

(a) om rechtstreeks of via een vennootschap waarin zij een deelneming bezit conform de bepalingen van deze wet en de ter uitvoering ervan genomen besluiten en reglementen, onroerende goederen ter beschikking te stellen van gebruikers; en

(b) om, binnen de grenzen van de GVV wetgeving, vastgoed te bezitten zoals vermeld in artikel2 5°, vi tot x van de GVV wet.

Onder vastgoed wordt verstaan, het vastgoed in de zin van de GVV wetgeving. In het kader van de terbeschikkingstelling van onroerende goederen, kan de Vennootschap met name alle activiteiten uitoefenen die verband houden met de oprichting, de verbouwing, de renovatie, de ontwikkeling, de verwerving, de vervreemding, het beheer en de exploitatie van onroerende goederen.

4.2. De Vennootschap kan bijkomend of tijdelijk beleggen in effecten die geen vastgoed zijn in de zin van de GVV wetgeving. Deze beleggingen zullen uitgevoerd worden in overeenstemming met het risicobeheerbeleid aangenomen door de Vennootschap en zullen gediversifieerd zijn, zodat zij een passende risicodiversificatie verzekeren. De Vennootschap mag eveneens niet-toegewezen liquide middelen aanhouden in alle munten in de vorm van zicht- of termijndeposito's of in de vorm van enig ander gemakkelijk verhandelbaar monetair instrument. De Vennootschap mag bovendien verrichtingen betreffende afdekkingsinstrumenten aangaan, voor zover deze er uitsluitend toe strekken het rente- en wisselkoersrisico te dekken in het kader van de financiering en het beheer van het vastgoed van de Vennootschap en met uitsluiting van elke verrichting van speculatieve aard.

4.3. De Vennootschap mag een of meer onroerende goederen in leasing nemen of geven. De activiteit van het met aankoopoptie in leasing geven van onroerende goederen mag alleen als bijkomstige activiteit worden uitgeoefend, tenzij deze onroerende goederen bestemd zijn voor een doel van algemeen belang met inbegrip van sociale huisvesting en onderwijs (in dit geval mag de activiteit als hoofdactiviteit worden uitgeoefend).

4.4. De Vennootschap kan zich door middel van een fusie of op een andere wijze, interesseren in alle zaken, ondernemingen of vennootschappen met een soortgelijk of aanvullend doel en die van dien aard zijn dat ze de ontwikkeling van haar bedrijf zullen promoten en, in het algemeen, kan ze alle verrichtingen uitoefenen die rechtstreeks of onrechtstreeks betrekking hebben op haar maatschappelijk doel evenals alle voor de verwezenlijking van haar maatschappelijk doel relevante of nodige daden.

Artikel 5 - Verbodsbepalingen

De Vennootschap kan geenszins:

- handelen als vastgoedpromotor in de zin van de GVV wetgeving, met uitsluiting van occasionele verrichtingen;
- deelnemen aan een syndicaat voor vaste overname of waarborg;
- financiële instrumenten lenen, met uitzondering evenwel van leningen onder de voorwaarden en volgens de bepalingen van het koninklijk besluit van 7 maart 2006;
- financiële instrumenten verwerven die uitgegeven zijn door een vennootschap of een privaatrechtelijke vereniging die failliet verklaard werd, die een onderhands akkoord met zijn schuldeisers gesloten heeft, die het voorwerp uitmaakt van een procedure van gerechtelijke reorganisatie, die uitstel van betaling bekomen heeft of die in het buitenland het voorwerp uitgemaakt heeft van een gelijkaardige maatregel.

Artikel 6 - Duur

6.1. De Vennootschap wordt opgericht voor onbepaalde duur.

6.2. Deze Vennootschap zal geen einde nemen door de ontbinding, de uitsluiting, de terugtrekking, het faillissement, de gerechtelijke reorganisatie of elke andere reden van de stopzetting van de functies van de zaakvoerder.

TITEL II- KAPITAAL - AANDELEN

Artikel 7 - Kapitaal

7.1. Inschrijving en storting van het kapitaal

Het kapitaal van de vennootschap bedraagt honderdzevenentachtig miljoen zevenhonderdvijfendertigduizend tweehonderd drieëndertig euro (187.735.233,00 EUR) en is vertegenwoordigd door negen miljoen tweehonderd eenentwintigduizend zevenhonderd een (9.221.701) aandelen zonder vermelding van nominale waarde, die elk een/negen miljoen tweehonderd eenentwintigduizend zevenhonderdeneende (1/9.221.701de) deel van het kapitaal vertegenwoordigen.

7.2. Toegestaan kapitaal

De zaakvoerder is gemachtigd om het maatschappelijk kapitaal in een of meerdere keren te verhogen met een maximum bedrag van honderd achtenzeventig miljoen vierhonderd veertienduizend negenhonderd eenenzeventig euro zesennegentig eurocent (178.414.971,96 EUR) op de data en overeenkomstig de modaliteiten die hij zal bepalen, conform artikel 603 van het Wetboek van vennootschappen. Bij een kapitaalverhoging die gepaard gaat met een storting of een boeking van een uitgiftepremie, wordt enkel het bij het kapitaal ingeschreven bedrag afgetrokken van het bruikbaar blijvend bedrag van het toegestane kapitaal. Deze machtiging wordt verleend voor een periode van vijf jaar te rekenen vanaf de bekendmaking van het proces-verbaal van de buitengewone algemene vergadering van 30 september 2014. De kapitaalverhogingen waarover de zaakvoerder aldus heeft beslist, kunnen plaatsvinden door inschrijving tegen contanten of door inbrengen in natura met naleving van de wettelijke bepalingen, of door incorporatie van reserves of van uitgiftepremies met of zonder creatie van nieuwe effecten. De kapitaalverhogingen kunnen aanleiding geven tot de uitgifte van aandelen met of zonder stemrecht. Deze kapitaalverhogingen kunnen ook gebeuren door de uitgifte van converteerbare obligaties of van inschrijvingsrechten - al dan niet aan een andere roerende waarde gehecht - die aanleiding kunnen geven tot het creëren van aandelen met of zonder stemrecht. De zaakvoerder is gemachtigd om het voorkeurrecht van de aandeelhouders op te heffen of te beperken, ook ten gunste van welbepaalde personen die geen personeelsleden van de Vennootschap of van haar dochterondernemingen zijn, voor zover er aan de bestaande aandeelhouders een onherleidbaar toewijzingsrecht wordt verleend bij de toekenning van nieuwe effecten. Dit onherleidbaar toewijzingsrecht beantwoordt aan de voorwaarden die de GVV wetgeving en artikel 7.4 van de statuten vastleggen. Het moet niet worden verleend in geval van inbreng in geld in het kader van de uitkering van een keuzedividend, onder de omstandigheden voorzien bij artikel 7.4 van de statuten. Kapitaalverhogingen door inbreng in natura worden verricht in overeenstemming met de voorwaarden voorgeschreven door de GVV wetgeving en in overeenstemming met de voorwaarden opgenomen in artikel 7.4 van de statuten. Dergelijke inbrengen kunnen ook betrekking hebben op het dividendrecht in het kader van de uitkering van een keuzedividend. Zonder afbreuk te doen aan de machtiging verleend aan de zaakvoerder zoals uiteengezet in de hier voorafgaande alinea's, heeft de buitengewone algemene vergadering van 30 september 2014 de zaakvoerder gemachtigd om over te gaan tot een of meer kapitaalverhogingen in geval van een openbaar overnamebod, onder de voorwaarden waarin artikel 607 van het Wetboek van vennootschappen voorziet en met naleving, desgevallend, van het onherleidbaar toewijzingsrecht waarin de GVV wetgeving voorziet. De kapitaalverhogingen die de zaakvoerder uitvoert ingevolge voormelde machtiging worden aangerekend op het toegestaan kapitaal dat nog kan gebruikt worden overeenkomstig dit artikel. Deze machtiging beperkt niet de bevoegdheden van de zaakvoerder om over te gaan tot andere verrichtingen met gebruik van het toegestane kapitaal dan die waarin artikel 607 van het Wetboek van vennootschappen voorziet. Wanneer de kapitaalverhogingen waartoe ingevolge deze machtigingen werd beslist, een uitgiftepremie bevatten, moet het bedrag ervan, na eventuele aanrekening van de kosten, op een speciale onbeschikbare rekening, 'uitgiftepremies' genoemd, geplaatst worden, die, zoals het kapitaal, de waarborg uitmaakt voor derden en die niet zal kunnen worden verminderd of afgeschaft, tenzij bij een beslissing van de algemene vergadering die vergadert volgens de voorwaarden van aanwezigheid en meerderheid voorzien voor een kapitaalvermindering, onder voorbehoud van haar incorporatie in het kapitaal.

7.3. Verkrijging, inpandneming en vervreemding van eigen aandelen.

Het is de zaakvoerder toegestaan om, voor een duur van drie jaar vanaf de publicatie in het Belgisch Staatsblad van de beslissing van de buitengewone algemene vergadering van 30 september 2014, voor rekening van de Vennootschap, de eigen aandelen van de Vennootschap te verwerven, in pand te nemen en te vervreemden zonder voorafgaande beslissing van de algemene vergadering, wanneer deze verwerving of deze vervreemding nodig is om ernstige en dreigende schade voor de Vennootschap te vermijden.

7.4. Kapitaalverhoging

Elke kapitaalverhoging zal gebeuren overeenkomstig de artikelen 581 tot 609 van het Wetboek van vennootschappen en de GVV wetgeving. Het is de Vennootschap verboden rechtstreeks of onrechtstreeks in te schrijven op haar eigen kapitaalverhoging. Ter gelegenheid van welke kapitaalverhoging ook bepaalt de zaakvoerder de prijs, de eventuele uitgiftepremie en de voorwaarden van uitgifte van de nieuwe aandelen tenzij de algemene vergadering die zelf zou bepalen. Bij uitgifte van aandelen zonder vermelding van nominale waarde beneden pari moet de bijeenroeping van de algemene vergadering hiervan uitdrukkelijk melding maken. Indien de algemene vergadering beslist de betaling van een uitgiftepremie te vragen, moet die worden geboekt op een onbeschikbare reserverekening die alleen kan worden verminderd of opgeheven bij een beslissing van de algemene vergadering die beraadslaagt volgens de bepalingen die gelden voor het wijzigen van de statuten. De uitgiftepremie zal, net zoals het kapitaal, de aard hebben van een gemeenschappelijk onderpand ten gunste van derden. De inbrengen in natura kunnen ook betrekking hebben op het dividendrecht in het kader van de uitkering van een keuzedividend, met of zonder extra inbreng in geld. In geval van kapitaalverhoging door inbreng in geld bij beslissing van de algemene vergadering of in het kader van het toegestaan kapitaal, kan het voorkeurrecht van de aandeelhouders alleen beperkt of opgeheven worden voor zover er aan de bestaande aandeelhouders een onherleidbaar toewijzingsrecht wordt verleend bij de toekenning van nieuwe effecten in overeenstemming met de voorwaarden zoals voorzien in de GVV wetgeving. De kapitaalverhogingen door inbreng in natura zijn onderworpen aan de voorschriften van de artikelen 601 en 602 van het Wetboek van vennootschappen en moeten uitgevoerd worden in overeenstemming met de voorwaarden zoals voorzien in de GVV wetgeving.

7.5. Kapitaalvermindering

De Vennootschap mag overgaan tot kapitaalverminderingen met naleving van de wettelijke bepalingen ter zake.

7.6. Fusies, splitsingen en gelijkgestelde verrichtingen

De fusies, splitsingen en gelijkgestelde verrichtingen zoals bedoeld in de artikelen 671 tot 677, 681 tot 758 en 772/1 van het Wetboek van vennootschappen, worden uitgevoerd in overeenstemming met de voorwaarden zoals voorzien in de GVV wetgeving.

7.7. Kapitaalverhoging van een dochteronderneming met het statuut van institutionele GVV
Elke kapitaalverhoging van een dochteronderneming met het statuut van een institutionele GVV door inbreng in geld voor een prijs die 10% of meer lager ligt dan de laagste waarde van: ofwel (a) een netto-waarde per aandeel die dateert van ten hoogste vier maanden voor de aanvang van de uitgifte, ofwel (b) de gemiddelde slotkoers gedurende de dertig kalenderdagen voor de aanvangsdatum van de uitgifte, wordt uitgevoerd in overeenstemming met de in de GVV wetgeving voorziene voorwaarden.

Artikel 8 - Aard van de aandelen

De aandelen zijn zonder vermelding van nominale waarde. De aandelen zijn op naam of gedematerialiseerd, en dit naar keuze van hun eigenaar of houder (hierna de Titularis genoemd) en volgens de beperkingen opgelegd door de wet. De Titularis kan op elk moment en zonder kosten de omzetting vragen van zijn aandelen op naam in gedematerialiseerde aandelen. Elk gedematerialiseerd aandeel wordt vertegenwoordigd door een boeking op een rekening op naam van zijn Titularis bij een erkende rekeninghouder of bij een vereffeninginstelling. Er wordt op de maatschappelijke zetel van de Vennootschap een register van de aandelen op naam bijgehouden dat, in voorkomend geval, onder elektronische vorm kan bestaan. De Titularissen van aandelen op naam kunnen kennis nemen van de inschrijvingen die op hen betrekking hebben in het register van de aandelen op naam.

Artikel 9 - Andere effecten

De Vennootschap mag effecten uitgeven die bedoeld zijn in artikel 460 van het Wetboek van vennootschappen, met uitzondering van winstbewijzen en soortgelijke effecten en onder voorbehoud van de specifieke bepalingen van de GVV wetgeving en de statuten. Deze effecten kunnen de vormen aannemen waarin het Wetboek van vennootschappen voorziet.

Artikel 10 - Notering op de beurs en openbaarheid van de belangrijke deelnemingen

De aandelen van de Vennootschap moeten worden toegelaten tot de verhandeling op een Belgische gereglementeerde markt, overeenkomstig de GVV wetgeving. De drempels waarvan de overschrijding aanleiding geeft tot een kennisgevingsverplichting ingevolge de wetgeving inzake de openbaarmaking van belangrijke deelnemingen in emittenten waarvan aandelen zijn toegelaten tot de verhandeling op een gereglementeerde markt, worden bepaald op 3%, 5% en elk veelvoud van 5% van het totaal aantal der bestaande stemrechten. Behoudens de uitzonderingen voorzien in het Wetboek van vennootschappen, kan niemand deelnemen aan de algemene vergadering van de Vennootschap met meer stemrechten dan diegene verbonden aan de effecten waarvan hij, overeenkomstig artikel 514 van het Wetboek van vennootschappen minstens twintig (20) dagen voor de datum van de algemene vergadering kennis heeft gegeven ze in bezit te hebben.

TITEL III- BESTUUR EN TOEZICHT

Artikel 11 - Zaakvoering

11.1. De Vennootschap wordt bestuurd door een zaakvoerder, die een beherende vennoot moet zijn, aangeduid in de huidige statuten.
11.2. Werd benoemd als enige statutaire zaakvoerder voor een duur van tien (10) jaar startende op 1 oktober 2006: de naamloze vennootschap Montea Management, met maatschappelijke zetel in 9320 Erembodegem, Industrielaan 27, opgenomen in het rechtspersonenregister van Dendermonde onder het nummer 0882.872.026.
11.3. De zaakvoerder van de Vennootschap is een naamloze vennootschap, die afhankelijk van de aard van de daden die verricht moeten worden in de Vennootschap, handelt via haar raad van bestuur, haar vaste vertegenwoordiger en, indien van toepassing, de perso(o)n(en) belast met het dagelijks bestuur. De bestuurders en de personen belast met het dagelijks bestuur van de naamloze vennootschap die zaakvoerder is van de Vennootschap, mogen ten persoonlijke titel geen zaakvoerder, noch persoon belast met het dagelijkse bestuur noch beherende vennoot van de Vennootschap zijn.
11.4. De raad van bestuur van de zaakvoerder telt minstens drie onafhankelijke bestuurders in de zin van artike1526ter van het Wetboek van vennootschappen. Onverminderd de overgangsbepalingen voorzien door de GVV wetgeving, moeten de bestuurders van de raad van bestuur van de zaakvoerder natuurlijke personen zijn; zij moeten voldoen aan de eisen van betrouwbaarheid en deskundigheid zoals voorzien in de GVV wetgeving en mogen niet onder de werkingssfeer van de in de GVV wetgeving vastgelegde verbodsbepalingen vallen.
11.5. De benoeming van de zaakvoerder wordt voorafgaandelijk ter goedkeuring voorgelegd aan de Autoriteit voor Financiële Diensten en Markten (FSMA).

Artikel 12 - Einde van bet mandaat van de zaakvoerder

12.1. De statutair benoemde zaakvoerder is vast benoemd en zijn aanstelling is niet herroepbaar, behalve door een rechter, en om wettige redenen.
12.2. De functies van de zaakvoerder nemen een einde in de volgende gevallen:

- het verstrijken van de duur van zijn mandaat;
- het ontslag: de zaakvoerder kan enkel ontslag nemen indien dit ontslag mogelijk is in het kader van zijn verbintenissen die hij tegenover de Vennootschap heeft genomen en in de mate hij de Vennootschap niet in moeilijkheden brengt; zijn ontslag moet bekend gemaakt worden door de oproeping van een algemene vergadering met als agenda de vaststelling van het ontslag en de te nemen maatregelen; deze algemene vergadering zal moeten samenkomen minstens een maand voordat het ontslag uitwerking heeft;
- de ontbinding, de faillietverklaring of elke andere gelijkaardige procedure met betrekking tot de zaakvoerder;
- het verlies, in hoofde van alle leden van de organen van bestuur of het dagelijks bestuur van de zaakvoerder van de vereisten van betrouwbaarheid, bekwaamheid en ervaring vereist door de GVV wetgeving; in dit geval moet de zaakvoerder of de commissaris 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 de zes weken samenkomen; indien slechts een of meerdere leden van de organen van bestuur of van dagelijks bestuur van de zaakvoerder niet meer aan de bovenvermelde vereisten voldoen, dient de zaakvoerder hen binnen de maand te vervangen; na deze termijn, zal de vergadering van de Vennootschap zoals hierboven beschreven bijeengeroepen worden; dit alles in het een of ander geval, onder voorbehoud van de maatregelen die de FSMA zou treffen krachtens de bevoegdheden voorzien door de GVV wetgeving;
- het verbod in de zin van artikel15 van de GVV wet dat alle leden van de organisatie en van bestuur of het dagelijks bestuur van de zaakvoerder zou treffen; in dit geval moet de zaakvoerder of de commissaris de algemene vergadering bijeenroepen met als agenda de vaststelling van het verlies van die vereisten en de te nemen beslissingen; deze vergadering moet binnen de maand plaatsvinden; indien slechts een of meerdere leden van de organen van bestuur of van dagelijks bestuur van de zaakvoerder niet meer aan de bovenvermelde

vereisten voldoen, dient de zaakvoerder hen binnen de maand te vervangen; na deze termijn, zal de vergadering van de Vennootschap zoals hierboven beschreven bijeengeroepen worden; dit alles in het een of ander geval, onder voorbehoud van de maatregelen die de FSMA zou treffen krachtens de bevoegdheden voorzien door de GVV wetgeving.

12.3. In geval van beëindiging van de functies van de zaakvoerder, wordt de Vennootschap niet ontbonden. Deze zaakvoerder wordt door de algemene vergadering vervangen, beraadslagend zoals voor statutenwijziging, na bijeenroeping door de commissaris of bij gebreke hieraan door een op verzoek van iedere belanghebbende door de voorzitter van de rechtbank van koophandel aangestelde voorlopig bewindvoerder, al dan niet vennoot. Binnen vijftien dagen na zijn aanstelling roept de voorlopig bewindvoerder de algemene vergadering bijeen op de wijze door de statuten bepaald. Hij is dan niet verder aansprakelijk voor de uitvoering van zijn opdracht.

De voorlopig bewindvoerder verricht de dringende daden van louter beheer tot aan de eerste algemene vergadering.

Artikel 13- Notulen

De beraadslagingen van de zaakvoerder worden vastgelegd in door hem ondertekende notulen. Deze notulen worden opgenomen in een bijzonder register. De delegaties, evenals adviezen en stemmen die schriftelijk worden uitgebracht of andere documenten worden er aangehecht. De afschriften of uittreksels in rechte of elders voor te leggen worden ondertekend door de zaakvoerder.

Artikel 14 -Bezoldiging van de zaakvoerder

14.1. De zaakvoerder zal een vergoeding ontvangen, vastgesteld conform de modaliteiten die hierna worden gedefinieerd overeenkomstig de GVV wetgeving. Hij zal bovendien recht hebben op de terugbetaling van de kosten verbonden aan zijn opdracht.

14.2. Het vast gedeelte van de bezoldiging van de statutaire zaakvoerder wordt jaarlijks vastgesteld door de algemene vergadering van de Vennootschap. 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 de Vennootschap, met uitsluiting van aile schommelingen van de reële waarde van de activa en de afdekkingsinstrumenten.

14.3. De berekening van de vergoeding is onderworpen aan de controle van de commissaris.

Artikel 15 - Bevoegdheden van de zaakvoerder

15.1. De zaakvoerder bezit de meest uitgebreide bevoegdheden om alle handelingen te verrichten die noodzakelijk of nuttig zijn voor de verwezenlijking van het maatschappelijk doel met uitzondering van de handelingen die door de wet of door de statuten voor de algemene vergadering zijn gereserveerd.

15.2. De zaakvoerder stelt de halfjaarverslagen op evenals het ontwerp van de geconsolideerde en enkelvoudige jaarrekeningen en jaarverslagen. De zaakvoerder stelt de deskundige(n) aan in overeenstemming met de GVV wetgeving en stelt desgevallend elke wijziging voor aan de lijst van deskundigen die is opgenomen in het dossier dat bij de aanvraag om erkenning als GVV is gevoegd. De zaakvoerder kan aan elke lasthebber, zijn bevoegdheden met betrekking tot bijzondere en specifieke doeleinden geheel of gedeeltelijk overdragen.

De zaakvoerder kan in overeenstemming met de GVV wetgeving, de vergoeding vaststellen van elke lasthebber aan wie bijzondere bevoegdheden werden toegekend. De zaakvoerder kan het mandaat van deze lasthebber(s) te allen tijde herroepen.

Artikel 16- Adviserende en gespecialiseerde comités

De raad van bestuur van de zaakvoerder richt in zijn midden een auditcomité alsook een remuneratiecomité op, en omschrijft hun samenstelling, hun opdrachten en bevoegdheden. De raad van bestuur van de zaakvoerder kan in zijn midden en onder zijn verantwoordelijkheid een of meerdere consultatieve comités oprichten, waarvan hij de samenstelling en de opdracht vaststelt.

Artikel 17 - Effectieve Ieiding

Onverminderd de overgangsbepalingen voorzien door de GVV wetgeving, wordt de effectieve Ieiding van de Vennootschap toevertrouwd aan minstens twee natuurlijke personen. De met de effectieve Ieiding belaste personen moeten voldoen aan de eisen van betrouwbaarheid en deskundigheid zoals voorzien in de GVV wetgeving en mogen niet binnen de werkingssfeer van de in de GVV wetgeving vastgelegde verbodsbepalingen vallen. De benoeming van de effectieve leiders wordt voorafgaandelijk ter goedkeuring voorgelegd aan de FSMA.

Artikel 18 - Vertegenwoordiging van de Vennootschap en ondertekening van akten

Behoudens bijzondere bevoegdheidsoverdracht door de zaakvoerder, wordt de Vennootschap geldig vertegenwoordigd in alle handelingen, met inbegrip van diegene waaraan een openbaar of ministerieel ambtenaar zijn medewerking verleent, evenals in rechte, hetzij als eiser hetzij als verweerder, door de zaakvoerder, volgens de wettelijke en statutaire vertegenwoordigingsregels van deze zaakvoerder-rechtspersoon. De Vennootschap is derhalve geldig vertegenwoordigd door bijzondere volmachthebbers van de Vennootschap binnen de grenzen van het mandaat dat hen ot dien einde is toevertrouwd door de zaakvoerder.

Artikel 19 - Revisoraal toezicht

De Vennootschap wijst een of meer commissarissen aan die de functies uitoefenen waarmee ze worden belast krachtens het Wetboek van vennootschappen en de GVV wetgeving. De commissaris moet erkend zijn door de FSMA.

TITEL IV- ALGEMENE VERGADERING

Artikel 20 - Bijeenkomst

De jaarlijkse algemene vergadering komt samen op de derde dinsdag van de maand mei om 10 uur. Indien deze dag een wettelijke feestdag is, wordt de vergadering op de voorgaande werkdag gehouden op hetzelfde uur (een zaterdag of een zondag zijn geen werkdagen). De gewone of buitengewone vergaderingen worden gehouden op de zetel van de Vennootschap of op iedere andere plaats in de oproepingsbrief of op andere wijze meegedeeld. De drempel vanaf wanneer een of meerdere aandeelhouders een oproeping van een algemene vergadering mogen eisen om er een of meerdere voorstellen voor te leggen, en dit conform het artikel 532 van het Wetboek van vennootschappen, is vastgelegd op 20% van het geheel van de aandelen die stemrecht hebben. Een of meer aandeelhouders die samen ten minste drie procent (3%) van het maatschappelijk kapitaal van de Vennootschap bezitten, kunnen in overeenstemming met de bepalingen van het Wetboek van vennootschappen vragen dat te bespreken onderwerpen worden opgenomen op de agenda van gelijk welke algemene vergadering en kunnen voorstellen van beslissing indienen met betrekking tot te bespreken onderwerpen die op de agenda zijn of zullen worden ingeschreven.

Artikel 21- Deelname aan de vergadering

Het recht om aan een algemene vergadering deel te nemen en er het stemrecht uit te oefenen, is afhankelijk gemaakt van de boekhoudkundige registratie van de aandelen op naam van de aandeelhouder op de veertiende dag voorafgaand aan de algemene vergadering om vierentwintig uur (Belgische tijd) (hierna de registratiedatum genoemd), 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 vereffeningsinstelling, ongeacht het aantal aandelen in het bezit van de aandeelhouder op de dag van de algemene vergadering.
De eigenaars van gedematerialiseerde aandelen die aan de vergadering wensen deel te nemen, moeten een attest voorleggen dat door hun financiële tussenpersoon of erkende rekeninghouder werd afgegeven en waaruit blijkt hoeveel gedematerialiseerde aandelen er op de registratiedatum in hun rekeningen zijn ingeschreven op naam van de aandeelhouder, en waarvoor de aandeelhouder heeft aangegeven te willen deelnemen aan de algemene vergadering. Deze neerlegging moet ten laatste op de zesde dag voorafgaand aan de datum van de algemene vergadering worden verricht op de maatschappelijke zetel of bij de in de uitnodiging genoemde instellingen. De eigenaars van aandelen op naam die aan de vergadering wensen deel te nemen, moeten de Vennootschap per gewone brief, fax of e-mail uiterlijk de zesde dag voorafgaand aan de datum van de vergadering op de hoogte brengen van hun voornemen.

Artikel 22 - Stemming door volmacht

Elke eigenaar van effecten die recht geven op deelname aan de vergadering, kan zich laten vertegenwoordigen door een lasthebber, die al of niet een aandeelhouder kan zijn. De aandeelhouder kan voor een bepaalde algemene vergadering slechts een persoon als lasthebber aanwijzen, behoudens afwijkingen zoals bedoeld in het Wetboek van vennootschappen. De volmacht moet door de aandeelhouder worden getekend en moet ten laatste de zesde dag voorafgaand aan de algemene vergadering aankomen bij de Vennootschap of op de in de uitnodiging vermelde plaats. De zaakvoerder kan een volmachtformulier opmaken. De mede-eigenaars, de andere personen die in onverdeeldheid zijn, de vruchtgebruikers en blote eigenaars, de pandhoudende schuldeisers en schuldenaars moeten zich respectievelijk laten vertegenwoordigen door een en dezelfde persoon.

Artikel 23 - Bureau

Alle algemene vergaderingen worden voorgezeten door de voorzitter van de raad van bestuur van de zaakvoerder. De voorzitter wijst de secretaris en stemopnemer aan, die geen aandeelhouder moeten zijn. Die twee functies kunnen uitgeoefend worden door een persoon. De voorzitter, de secretaris en de stemopnemer vormen samen het bureau.

Artikel 24 - Aantal stemmen

De aandelen geven elk recht op een stem, onder voorbehoud van de gevallen van opschorting van het sternrecht voorzien in het Wetboek van vennootschappen.

Artikel 25 - Beraadslaging

De algemene vergadering kan geldig beraadslagen en stemmen, ongeacht het deel van het maatschappelijk kapitaal dat aanwezig of vertegenwoordigd is, behalve in de gevallen waarin het Wetboek van vennootschappen een aanwezigheidsquorum oplegt. De algemene vergadering kan slechts geldig beraadslagen over wijzigingen aan de statuten indien ten minste de helft van het maatschappelijk kapitaal aanwezig of vertegenwoordigd is. lndien deze voorwaarde niet vervuld is, dan moet de algemene vergadering opnieuw worden bijeengeroepen en beslist de tweede vergadering op geldige wijze ongeacht het deel van het kapitaal dat de aanwezige of vertegenwoordigde aandeelhouders vertegenwoordigen. De beslissingen van de algemene vergadering, met inbegrip van de wijziging van de statuten, worden slechts geldig genomen mits instemming van de zaakvoerder. De algemene vergadering kan niet beraadslagen over de punten die niet op de agenda voorkomen. Behoudens andersluidende wettelijke bepaling wordt elke beslissing door de algemene vergadering genomen bij gewone meerderheid van de stemmen, ongeacht het aantal vertegenwoordigde aandelen.
Op een gewone of bijzondere algemene vergadering kunnen onthoudingen, blanco of ongeldige stemmen niet worden toegevoegd aan het aantal uitgebrachte stemmen. Op een buitengewone algemene vergadering worden onthoudingen, blanco of ongeldige stemmen echter beschouwd als stemmen tegen. Bij staking van stemmen is het voorstel verworpen. Iedere wijziging van de statuten is slechts toegelaten indien ze wordt goedgekeurd door ten minste drie vierde van de stemmen of, indien het gaat om de wijziging van het maatschappelijk doel of teneinde de Vennootschap toe te staan over te gaan tot de inkoop van eigen aandelen overeenkomstig het Wetboek van vennootschappen, door vier vijfde van de stemmen. Stemmen gebeurt door handopsteking of naamafroeping, tenzij de algemene vergadering een andere beslissing neemt bij gewone meerderheid van de uitgebrachte stemmen. Ieder ontwerp van statutenwijziging moet voorafgaandelijk worden voorgelegd aan de FSMA. Een aanwezigheidslijst met de namen van de aandeelhouders en het aantal aandelen wordt ondertekend door elk van hen of door een vertegenwoordiger, alvorens de zitting begint.

Artikel 26 - Stemming per brief

De aandeelhouders zullen per brief kunnen stemmen door middel van een formulier opgemaakt door de Vennootschap indien de zaakvoerder hiertoe de toelating heeft gegeven in zijn oproepingsbrief. Dit formulier moet verplicht de datum en de plaats van de vergadering vermelden, de naam of maatschappelijke benaming van de aandeelhouder en zijn woonplaats of maatschappelijke zetel, het aantal stemmen waarmee de aandeelhouder wil stemmen op de algemene vergadering, de vorm van de aandelen die hij bezit, de agendapunten van de vergadering (inclusief de voorstellen van beslissing), een ruimte die toelaat te stemmen voor of tegen elke beslissing dan wel om zich te onthouden, evenals de termijn waarbinnen het stemformulier op de vergadering moet toekomen. Het formulier moet uitdrukkelijk vermelden dat het moet worden getekend, dat de handtekening moet worden gelegaliseerd en dat het geheel uiterlijk de zesde dag voorafgaand aan de datum van de vergadering per aangetekend schrijven moet worden bezorgd.

Artikel 27- 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 de uittreksels van de notulen die moeten dienen in rechte of anderzijds worden ondertekend door twee bestuurders van de zaakvoerder.

Artikel 28 - Algemene vergadering van de obligatiehouders

De zaakvoerder en de commissaris(sen) van de Vennootschap kunnen de obligatiehouders bijeenroepen in algemene vergadering van de obligatiehouders. Zij moeten eveneens de algemene vergadering bijeenroepen wanneer obligatiehouders die een vijfde van het bedrag van de in omloop zijnde obligaties vertegenwoordigen, het vragen. De oproeping bevat de dagorde en wordt opgesteld overeenkomstig de bepalingen van het Wetboek van vennootschappen. Om toegelaten te worden op de algemene vergadering van de obligatiehouders moeten de obligatiehouders de formaliteiten voorzien in het artikel 571 van het Wetboek van vennootschappen nakomen, evenals de eventuele formaliteiten voorzien in de uitgiftevoorwaarden van de obligaties of in de bijeenroepingen.

TITEL V- BOEKJAAR- JAARREKENING- DIVIDENDEN - JAARVERSLAG

Artikel29- Boekjaar- Jaarrekening

Het boekjaar vangt aan op een januari en eindigt op eenendertig december van elk jaar. Op het einde van elk boekjaar worden de boeken en boekhoudkundige verrichtingen afgesloten en maakt de zaakvoerder een inventaris alsook de jaarrekening op. De zaakvoerder stelt een verslag op (het "jaarverslag"), waarin de raad verantwoording aflegt voor zijn beheer. De commissaris stelt met het oog op de algemene jaarvergadering een schriftelijk en omstandig verslag op (het "controleverslag").

Artikel 30 - Dividenden

De Vennootschap moet aan haar aandeelhouders en binnen de door het Wetboek van vennootschappen en de GVV wetgeving bepaalde grenzen, een dividend uitkeren waarvan het minimumbedrag is voorgeschreven door de GVV wetgeving.

Artikel 31 - lnterim-dividenden

De zaakvoerder kan onder zijn verantwoordelijkheid en voor zover de resultaten dat mogelijk maken, besluiten tot de uitkering van interim-dividenden, in de gevallen en binnen de termijnen toegestaan door de wet.

Artikel 32 - Terbeschikkingstelling van de jaar –en halfjaarverslagen

De jaar- en halfjaarverslagen van de Vennootschap, die de statutaire en geconsolideerde jaarlijkse en halfjaarlijkse rekeningen van de Vennootschap bevatten evenals het verslag van de commissaris, worden ter beschikking van de aandeelhouders gesteld in overeenstemming met de bepalingen die van toepassing zijn op de emittenten van financiële instrumenten die toegelaten zijn tot verhandeling op een gereglementeerde markt en met de GVV wetgeving. De jaar en halfjaarverslagen van de Vennootschap worden op de website van de Vennootschap gepubliceerd. De aandeelhouders kunnen een gratis exemplaar van de jaar- en halfjaarverslagen krijgen op de maatschappelijke zetel van de Vennootschap.

TITEL VI- ONTBINDING- VEREFFENING

Artikel 33 - Verlies van kapitaal

In geval het kapitaal met de helft of drie vierde verminderd is, moet de zaakvoerder aan de algemene vergadering de vraag tot ontbinding voorleggen ingevolge en volgens de vormen bepaald in artikel 633 van het Wetboek van vennootschappen.

Artikel 34 –Benoeming en bevoegdheden van de vereffenaars

In geval van ontbinding van de Vennootschap, om welke reden ook en op welk ogenblik ook, geschiedt de vereffening door de zaakvoerder die een vergoeding zal ontvangen overeenkomstig deze van artikel 14 van de statuten. In het geval de zaakvoerder deze opdracht niet aanvaardt, zal er tot de vereffening worden overgegaan door een of meerdere vereffenaars, welke natuurlijke of rechtspersonen kunnen zijn en die benoemd zullen worden door de algemene vergadering van aandeelhouders, onder voorbehoud van het akkoord van de beherende venno(o)t(en). De algemene vergadering zal zijn (hun) bevoegdheden en zijn (hun) vergoeding bepalen. De vereffenaar(s) treedt (treden) pas in functie na bevestiging van zijn (hun) benoeming door de rechtbank van koophandel. De vereffening van de Vennootschap wordt afgesloten overeenkomstig de bepalingen van het Wetboek van vennootschappen.

Artikel 35 - Verdeling

De verdeling aan de aandeelhouders zal pas plaats vinden na de vergadering tot sluiting van de vereffening. Tenzij in geval van een fusie, wordt het netto-actief van de Vennootschap, na aanzuivering van alle schulden of een consignatie van de hiervoor noodzakelijke sommen, eerst aangewend om het volstortte kapitaal terug te betalen en het eventuele saldo wordt gelijkmatig verdeeld tussen alle aandeelhouders van de Vennootschap, in verhouding met het aantal aandelen dat ze bezitten.

TITEL VII- ALGEMENE EN OVERGANGSBEPALINGEN

Artikel 36 - Keuze van woonplaats

Voor de uitvoering van de statuten worden de Zaakvoerder en de vereffenaar(s) geacht woonplaats te hebben gekozen op de maatschappelijke zetel, waar alle mededelingen, aanmaningen, dagvaardingen en betekeningen aan hen geldig kunnen worden gedaan. De houders van aandelen op naam moeten elke verandering van woonplaats aan de Vennootschap melden. Indien dit niet gebeurt, gebeuren alle mededelingen, oproepingen of officiële kennisgevingen geldig op de laatst gekende woonplaats.

Artikel 37 –Rechtsbevoegdheid

Voor alle geschillen tussen de Vennootschap, haar beherende veno(o)t(en), haar aandeelhouders, obligatiehouders, zaakvoerder, commissarissen en vereffenaars met betrekking tot de zaken van de Vennootschap en tot uitvoering van deze statuten, wordt de uitsluitende bevoegdheid verleend aan de Rechtbanken van de maatschappelijke zetel tenzij de Vennootschap er uitdrukkelijk aan verzaakt.

Artikel 38 –Gemeen recht

De bepalingen van deze statuten die strijdig zouden zijn met de dwingende bepalingen van het Wetboek van vennootschappen en de GVV wetgeving, worden voor niet geschreven gehouden. De nietigheid van een artikel of van een deel van een artikel van deze statuten zal geen uitwerking hebben op de geldigheid van de andere statutaire clausules.

Artikel 39 - Overgangsbepalingen

De rechtspersonen die, op de datum van inwerkingtreding van de GVV wet, een functie uitoefenen van bestuurder van de raad van bestuur van de zaakvoerder mogen hun lopend mandaat blijven uitoefenen tot het verstrijkt. Tot het verstrijken van zijn mandaat, moet de vaste vertegenwoordiger van de d betreffende rechtspersoon permanent over de voor de uitoefening van zijn functie vereiste professionele betrouwbaarheid en passende deskundigheid beschikken. De eenhoofdige besloten vennootschappen met beperkte aansprakelijkheid die, op de datum van inwerkingtreding van GVV wet, belast waren met de effectieve leiding van de Vennootschap, mogen hun lopend mandaat blijven uitoefenen tot het verstrijkt. Tot het verstrijken van zijn mandaat, moet de permanente vertegenwoordiger van de desbetreffende eenhoofdige besloten vennootschap met beperkte aansprakelijkheid permanent over de voor de uitoefening van professionele betrouwbaarheid en passende deskundigheid beschikken.

Voor gelijkvormige coördinatie van de statuten.

8.5 The regulated real estate company (RREC) in Belgium and the Société d'Investissements Immobiliers Cotée (SIIC) in France and the Fiscale beleggingsinstelling (FBI) in the Netherlands

8.5.1 The regulated real estate company in Belgium

The regulated real estate company (RREC) introduced by the Act of 12th May 2014 relative to regulated real estate companies, makes possible the establishment in Belgium of property investment companies that exist in many other countries: Real Estate Investments Trusts (REITs) in the United States, Fiscale Beleggingsinstellingen (FBI) in the Netherlands, G-REITs in Germany, Sociétés d'Investissements Immobiliers Cotées (SIIC) in France and UK-REITs in the United Kingdom. This status was the subject of the Act of 12th May 2014 and the Royal Decree of 13th July 2014 relative to regulated real estate companies.

The main characteristics of regulated real estate companies are:

- they must be established in the form of a public limited company or joint stock company;
- they must be listed on the stock exchange, with at least 30% of the shares distributed in the market;
- they must come under the supervision of the Financial Services Markets Authority (FSMA);
- they are able to exercise all activities related to the establishment, refurbishment, renovation, development, acquisition, disposal, management and operation of real estate property;
- they cannot (directly or indirectly) act as a building developer;
- risk spread: no more than 20% of the consolidated assets of the Company may (i) be invested in property that constitutes a single unit of property only, or (ii) in "other property", as defined in article 2, 5°, vi to x of the RREC Act;
- the (individual and consolidated) debt ratio is limited to 65% of the (individual and consolidated) assets; the allocation of sureties and mortgages is limited to 50% of the total fair value of the property of the RREC and its subsidiaries, and up to 75% of the value of a specific property;
- very strict rules in relation to conflicts of interest;
- quarterly assessments of assets by an independent property expert;
- buildings recorded at their fair value; no depreciations;
- the results (rental income and capital gains on sales, minus operating costs and financial charges) are exempt from corporation tax with regard to the RREC (but not for its subsidiaries); or taxes on disallowed expenses and abnormal and benevolent benefits;
- at least 80% of the amount of the adjusted statutory result[117] and net capital gains on the sale of property that is not exempt from the benefit obligation must mandatorily be paid out;
- any fall in the debt ratio during the course of the financial year may also be deducted from the amount mandatorily required to be paid out;
- withholding tax of 27% (see footnote 20), giving relief for natural persons residing in Belgium;

Companies that obtain a licence as a regulated real estate company or which merge with a regulated real estate company are subject to a tax (exit tax), which is equivalent to a liquidation tax, on the net latent gain and on the exempted reserves of 16.5% (plus 3% supplementary crisis contribution, or 16.995% in total).

[117] Calculated based on the schedule stated in Appendix C of the RREC RD.

8.5.2 The Société d'Investissements Immobiliers Cotées (SIIC) in France

Montea is also a SIIC (Société d'Investissements Immobiliers Cotées) in France (branch office) 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 formerly sicafi (currently RREC) in this country as well. The tax characteristics of the RREC 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 (e.g. dividends) are subject to corporation tax however.

When the status of RREC or SIIC is obtained, the company is subject to a one-off relief tax, called an "exit tax". This tax is calculated based on the difference between the investment value of the portfolio and the fiscal book value of the property. The exit tax that applies to SIIC is 16.5%. Payment of the exit tax for SIIC is spread over four years, with the payment of a first tranche of 15% after year one. In Belgium, at least 80% of the operating result must be paid out. In France, this percentage is 85%, although after deduction of depreciations.

However, the terms relating to the payment of gains on the sale of property differ significantly. In Belgium, at least 80% must be paid out if the profit is not reinvested. For SIIC on the other hand, at least 60% must be paid out at the end of year two following realisation of the gains. Also applicable for SIIC is that the dividends from subsidiaries that are exempt from corporation tax must be paid out in full in the financial year following the financial year in which they were received. As for the shareholding structure, the "free float" of regulated real estate companies, i.e. the number of shares not held permanently, must be at least 30%. In France, that figure is 40%. There is no maximum debt ratio for SIIC. For regulated real estate companies, the maximum debt ratio is 65%.

8.5.3 The Fiscale beleggingsinstelling (FBI) (tax investment institution (TII)) in the Netherlands

Montea has structured its Dutch property investments in Dutch NVs (Public Limited Companies). These Dutch property investment NVs are attached to the Montea Nederland NV tax unit. Montea Nederland NV has lodged a request for the application of the tax system that applies to 'tax investment institutions' (TII). In the Netherlands, TIIs are subject to corporation tax at a 0% rate.

The main features (legal requirements) of the TII are:

- its legal form must be a BV, NV, a mutual fund, or comparable body established under the law of a member of the European Union;
- the purpose and actual operations of the company consist (exclusively) of investing assets;
- the company must comply with two financing limits:
  - o property investments must be financed to a maximum of 60% of the fiscal book value with borrowed capital,
  - o other investments may only be financed to 20% of the fiscal book value with borrowed capital;
- the company must meet an annual advance obligation. This means that the company must make its full operating profit available to shareholders within eight months from the end of the financial year;

- the profit made available by the company must be distributed evenly across all of the shares;
- for companies that are not listed on an equities exchange, or for companies that themselves or their managers do not have a licence under the Financial Supervision Act, or are not exempted from having a licence under the Financial Supervision Act, the following shareholder requirements apply:
    - 75% or more of the shares must be owned by natural persons or by bodies that are not subject to any form of tax levied on profit, or with investment institutions that by their nature and establishment are comparable to Dutch TIIs;
    - 5% or more of the shares may not be held (in)directly by natural persons;
- no more than 25% of holdings in the company may be held by bodies established in the Netherlands that have their holdings structured via foreign entities.

9. Glossary

Acquisition value:	total cost for acquiring property, including transaction costs.
Occupancy rate:	the occupancy rate is based on the number of m². When calculating the occupancy rate no account is taken, either in the denominator or in the numerator, of the non-lettable m², intended for redevelopment or held with the landbank.
Concentration risk:	concentration risk pursuant to article 30, §1 to 5 of the Regulated Real Estate Companies Act of 12th May 2014.
Covenants:	undertakings entered into by the company with its financial institutions.
Dividend yield:	gross dividend divided by the share price at the end of the period.
TII:	Tax Investment Institution, pursuant to article 28 of the Corporation Tax Act 1969.
FSMA:	Financial Services and Markets Authority.
Financial plan:	financial plan pursuant to article 24 of the Royal Decree of 13th July 2014.
RREC R.D.:	Regulated Real Estate Company, pursuant to the Royal Decree of 13th July 2014 governing regulated property companies.
RREC Act:	Regulated Real Estate Company, pursuant to the Regulated Real Estate Companies Act of 13th May 2014.
Contracted annual rental income:	the contracted annual rental income, as agreed in the leases with the various tenants.
Estimated rental value:	estimated rental value per m², as established with the property assessor, taking account of the location, features of the building, type of business, etc., multiplied by the number of m².
Consolidated and single debt ratio:	debt ratio calculated pursuant to art. 23 of the Royal Decree of 13th July 2014 governing regulated property companies.
Average term of lease:	the weighted average of the term of the current leases until the first possible break date.
Average financial debt:	the average of all financial debts over a specific period, excluding the negative value of the hedging instruments.

ICC :	construction cost index.
IFRS:	International Financial Reporting Standards.
Investment value:	value of the property portfolio, without deducting transaction costs.
IPO:	Initial public offering of Montea shares that expired on the admission of these shares on 17th October 2006 to Euronext Brussels.
IRS:	Interest Rate Swap.
Optional dividend:	a dividend where the shareholder has the option of receiving the dividend payment in cash or in shares.
Net operating result:	net result without taking account of the result on the property portfolio and without taking account of the variation in values of the hedging instruments.
Net property yield:	the contracted rental income, including concession and building rights, divided by the fair value of the property portfolio.
Net initial yield:	the contracted annual rental income, including concession and building rights, divided by the acquisition value of the property portfolio.
Operating margin:	operating result before the result on the property portfolio, divided by the net rental result.
Premium/discount:	difference in % between the share price and the net asset value per share.
Fair value:	book value according to IAS/IFRS rules. Value of the property portfolio, including deduction of the transaction costs relating to the property portfolio in France and the Netherlands. For the Belgian property portfolio, the transaction cost is 2.5%.
Result on the property portfolio:	negative and/or positive variations in the fair value of the property portfolio + and losses or profits resulting from the realisation of property.
Result on the financial instruments:	negative and/or positive variations in the fair value of the interest rate/hedging instruments, according to IAS39.
SIIC:	Sociétés d’Investissement Immobilières Cotées pursuant to article 208-C of the French Code Général des Impôts (CGI).
Insured value:	the total new-build value of the buildings, including non-reclaimable VAT.
Velocity:	volume over a well-defined period, divided by the number of shares.