SPACE FOR GROWTH

MONTEA
SPACE FOR GROWTH

PRESS RELEASE
INTERIM STATEMENT FROM THE STATUTORY MANAGER
FOR THE PERIOD FROM 01/07/2017 TO 30/09/2017
REGULATED INFORMATION
UNDER EMBARGO UNTIL 7/11/2017 – 6:00 PM

- **EPRA EARNING OF € 19.8 MILLION IN Q3 2017 CONSISTING OF:**
  - **EARNINGS ON A RECURRENT BASIS OF € 17.6 MILLION**
  - **€ 1.3 MILLION ONCE-OFF SEVERANCE COMPENSATION FROM SAS AUTOMOTIVE IN Q1 2017**
  - **€ 0.9 MILLION PROVISION RECEIVED FOR THE ONCE-OFF COMPENSATION LINKED TO THE DELIVERY OF THE PROPERTY RENTED TO DHL AVIATION**
- **EPRA EARNINGS PER SHARE OF € 1.90 IN Q3 2017**
- **OPERATING MARGIN AMOUNTS EXCEPTIONALLY TO 96.2% IN Q3 2017 OR 92.9% WITHOUT THE ABOVE MENTIONED ONCE-OFF COMPENSATIONS**
- **OCCUPANCY RATE OF 95.6% AT THE END OF Q3 2017**
- **AVERAGE TERM OF LEASES ON FIRST EXPIRY DATE OF 7.5 YEARS**
- **INCREASE IN FAIR VALUE OF THE PROPERTY PORTFOLIO OF 2% TO € 631 MILLION COMPARED WITH 617 MILLION AT THE END OF Q2 2017**
- **DEBT RATIO OF 50.6% AT THE END OF Q3 2017 – AVERAGE TERM OF LOANS OF 5.1 YEARS – AVERAGE TERM OF INTEREST RATE HEDGING OF 7.1 YEARS**
- **OUTLOOK FOR 2017:**
  THANKS TO ITS SUCCESSFUL ACQUISITION AND DEVELOPMENT POLICY, MONTEA HAS RAISED ITS GROWTH TARGET FOR 2017 FROM € 650 MILLION TO € 700 MILLION. AS A RESULT, THE EXPECTED EPRA EARNINGS FOR THE ENTIRE YEAR HAVE RISEN FROM € 26 MILLION TO OVER € 26.5 MILLION. DESPITE THE CAPITAL INCREASE OF € 68 MILLION, MONTEA EXPECTS TO ATTAIN A MINIMUM EPS GROWTH OF 4%. THE OCCUPANCY RATE IS EXPECTED TO REMAIN ABOVE 95% AND THE OPERATING MARGIN ABOVE 90%

Summary

- The EPRA earnings[1] of Montea for the first nine months of 2017 amount to € 19.8 million, in line with the EPRA earnings for the same period in 2016 (€ 19.8 million). The net rental income (€ 30.2 million) decreased slightly compared to the net rental income over the same period in 2016 (€ 30.6 million) or € 0.4 million due to receiving a higher one-off compensation from Neovia Logistics in 2016 (€ 2. 3 million) compared to the one-off compensation fee received from SAS Automotive in 2017 (€ 1.3 million) partially offset by the rental income received as a result of the investments made in 2016 and 2017. The rental loss due to the sale of 2 French properties at the end of 2016 and the third French property in March 2017 will be offset by this rental income.

  The EPRA earning per share[2] dropped to € 1.90 per share for the first 9 months of 2017 to € 2.03 per share for the same period in 2016.

- The fair value[3] of the property portfolio rose by € 14 million (+2%) to € 631.2 million compared to 30/06/2017. The fair value of the Belgian property portfolio amounts to € 335.4 million, that of the French portfolio to € 96.1 million and that of the Dutch portfolio to € 199.7 million.

  The growth of the fair value in Belgium is due chiefly to the acquisition of the 8,800 m² crossdock center in Genk (rented to Mainfreight), representing a total investment value of € 7.2 million and the increase in the fair the value of the existing portfolio. The growth of the fair value in the Netherlands is mainly due to the further development of the extension project in Waddinxveen (rented to Delta Wines) and the significant increase in the fair value of the existing portfolio of € 2.9 million. In France, the fair value of the property portfolio increased by € 0.5 million. The increase in the fair value of the property portfolio in France is due mainly to the further development of the build-to-suit project in Camphin.

In accordance with the guidelines recently adopted by the European Securities and Markets Authority (ESMA), the Alternative Performance Measures (APM) used henceforth by Montea are indicated with an asterisk (*) the first time they are mentioned in this press release, and then defined in a footnote. The reader is thereby apprised of the definition of an APM. The performance measures stipulated by IFRS rules or by law as well as the measures which are not based on the headings of the balance sheet or the income statement are not considered as APMs.
The detailed calculation of the EPRA performance measures and of other APMs that are used by Montea, are indicated in Chapters 6 and 7 of this press release

1 Corresponds to the former name “Net Current Earnings.” The description of Net Current Result was changed upon the entry into force of the European Securities and Market Authority (ESMA) guidelines on Alternative Performance Measures to core net earnings, i.e. the EPRA earnings. The use of the term ‘current’ is forbidden for the time being. The name was consequently changed to “core net earnings” and corresponds to the ERPA earnings as stipulated in the ‘Best Practice Recommendations’ of the European Public Real Estate Association (EPRA).

2 The EPRA earnings per share refer to earnings based on the weighted average number of shares, which does not correspond to the former heading “net current earnings” per share, since Montea has always used the number of shares entitled to dividends as a basis.

3 The fair value consists of the Investment Properties excluding these for own use, the Other tangible fixed assets excluding those for own use and the Assets for sale.

The occupancy rate[4] amounts to 95.6% compared with 95.8% at the end of June 2017. The vacancy rate pertains to the building in Willebroek, for which severance compensation was received from Neovia Logistics in 2016, and the building in Puurs, formerly let to H&M. There is also a part of the building in Milmort (formerly let to Vincent Logistics) to let. The property that was let to SAS Automotive (for which one-off severance compensation was obtained), was let to Bleckmann België NV.

The average term of the leases until their first termination option amounts to 7.5 years compared with 7.8 years at the end of Q2 2017.

4 The occupancy rate is calculated on the basis of the occupied m² compared with the total m². The projects under development were left out of consideration both in the numerator and the denominator.

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1. Key figures

		BE	FR	NL	30/09/2017	31/12/2016	30/09/2016
						RESTATED (0)	RESTATED (0)
					3 months	12 months	3 months
Real estate portfolio							
Real estate portfolio - Buildings (1)							
Number of sites		**27**	**14**	**11**	**52**	**47**	**48**
Surface of the real estate portfolio							
Logistics and semi-industrial warehouses	sqm	481.667	118.135	224.965	824.767	715.310	769.849
Offices	sqm	43.969	13.181	19.370	76.520	67.668	67.681
Total surface	**sqm**	**525.636**	**131.316**	**244.335**	**901.287**	**782.978**	**837.530**
Development potential	sqm	136.385	53.000	12.000	201.385	230.344	230.344
Value of the real estate portfolio							
Fair value (2)	K€	322.130	90.555	199.732	612.418	532.063	544.240
Investment value (3)	K€	330.183	97.017	213.714	640.915	558.167	570.378
Occupancy Rate	**%**	**92,5%**	**100,0%**	**100,0%**	**95,6%**	**98,1%**	**97,3%**
Real estate portfolio - Solar panels							
Fair value	K€	9.623	0	0	9.623	9.978	10.094
Real estate portfolio - Projects under construction							
Fair value (2)	K€	3.635	5.511	0	9.146	10.281	27.994
Consolidated results							
Results							
Net rental result	K€				30.164	40.518	30.563
Operating result before the porfolio result	K€				29.011	36.304	27.704
Operating margin (5)*	%				96,2%	89,6%	90,6%
Financial result (excl. Variations in fair value of the financial instruments) (6)*	K€				-8.338	-11.780	-7.588
EPRA result (7)*	**K€**				**19.788**	**24.018**	**19.768**
Weighted average number of shares					10.421.227	9.722.190	9.722.190
EPRA result per share (8)*	**€**				**1,90**	**2,47**	**2,03**
Result on the portfolio (9)	K€				4.287	8.801	153
Variations in fair value of the financial instruments (10)	K€				5.168	-616	-6.095
Net result (IFRS)	**K€**				**29.244**	**32.204**	**13.826**
Net result per share	**€**				**2,81**	**3,31**	**1,42**
Consolidated balance sheet							
IFRS NAV (excl. minority participations) (11)	**K€**				**325.883**	**251.846**	**231.632**
EPRA NAV (12)*	**K€**				**345.519**	**276.650**	**261.915**
Debts and liabilities for calculation of debt ratio	K€				366.190	307.164	339.644
Balance sheet total	**K€**				**723.432**	**594.759**	**612.937**
Debt ratio (13)	**%**				**50,6%**	**51,6%**	**55,4%**
IFRS NAV per share	**€**				**28,07**	**25,31**	**23,28**
EPRA NAV per share (14)*	**€**				**29,76**	**27,80**	**26,32**
EPRA NNAV per share (15)*	**€**				**28,56**	**25,97**	**23,92**
Share price (16)	**€**				**45,20**	**46,37**	**47,13**
Premium	**%**				**61,0%**	**83,2%**	**79,1%**

(0) The gray cells were adjusted due to the change in the valuation rule implemented in Q2 2017. Equity is not affected. Furthermore, this adjustment has no impact on the EPRA earnings and the distributable profit.

(1) Inclusive of real estate intended for sale.

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

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

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

(5) *The operating margin is obtained by dividing the operating result before the result on the property portfolio by the net rental result. See section 8.

(6) *Financial result (exclusive of variations in the fair value of the financial instruments): this is the financial result in accordance with the Royal Decree of July 13, 2014 regarding regulated real estate companies excluding the variation in the fair value of the financial instruments, and reflects the actual funding cost of the company.

(7) *EPRA earnings: this concerns the underlying earnings from the core activities and indicates the degree to which the current dividend payments are supported by the profit. These earnings are calculated as the net result (IFRS) exclusive of the result on the portfolio and the variations in the fair value of financial instruments. Cf. www.epra.comm and section 7.

(8) *EPRA earnings per share concerns the EPRA earnings on the basis of the weighted average number of shares. Cf. www.epra.com and section 7.

(9) *Result on the portfolio: this concerns the negative and/or positive variations in the fair value of the property portfolio, plus any capital gains or losses from the sale of real estate. See section 8.

(10) Variations in the fair value of financial hedging instruments: this concerns the negative and/or positive variations in the fair value of the interest hedging instruments according to IAS 39.

(11) IFRS NAV: Net Asset Value of intrinsic value before profit distribution for the current financial year in accordance with the IFRS balance sheet. The IFRS NAV per share is calculated by dividing the equity capital according to IFRS by the number of shares entitled to dividends on the balance sheet date.

(12) *EPRA NAV: The EPRA NAV is the NAV that was adjusted so as to comprise also property and other investments at their fair value, and which excludes certain items which are not expected to assume a fixed form in a business model with property investments in the long term. Cf. www.epra.com and section 7.

(13) Debt ratio according to the Royal Decree of 13 July 2014 on regulated real estate companies.

(14) *EPRA NAV per share: The EPRA NAV per share concerns the EPRA NAV on the basis of the number of shares in circulation on the balance sheet date. Cf. www.epra.com and section 7.

(15) *EPRA NNNAV: This is the EPRA NAV that was adjusted so as to comprise also the fair value of financial instruments, debts and deferred taxes. The EPRA NNNAV per share concerns the EPRA NNNAV on the basis of the number of shares in circulation on the balance sheet date. Cf. also www.epra.com and section 7.

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

2. Significant events and transactions during the third quarter of 2017 in Belgium, France and the Netherlands

2.1. Investment activity during the third quarter of 2017

- **1/08/2017 - Montea acquires 59,500 m² plot of land strategically located along the Brussels Ring Road (R0)** [5]

Montea has signed an agreement concerning the acquisition of a strategically located plot of land of 59,900 m². The land is located on the Vilvoorde interchange along the Brussels Ring Road. This location provides excellent connections to the E19, A12, and E40 motorways, as well as a smooth connection to Brussels Airport and the Brussels-Capital Region.

Montea wishes to develop a customised logistics and/or distribution building on this plot, once it has found a tenant. The project could encompass ± 35,000 m² of storage space. In the meantime, Montea is already in talks with a number of potential tenants, where the focus is placed on the high-quality logistics and (urban) distribution.

With a total investment value of € 10 million, this acquisition, will proceed through the takeover of 100% of the shares of VILPRO NV.

Jo De Wolf, Montea Chief Executive Officer: “*This transaction is fully in line with Montea’s long-term growth strategy, whereby we develop quality logistics buildings ourselves at prime strategic locations.”*

- **1/08/2017 – Delivery of the 8,800 m² build-to-suit Crossdock Centre for Mainfreight**[6]

In September 2016[7] Mainfreight signed a cooperation agreement with Montea for the construction and rental of a new crossdock centre with offices in Genk. Willy Naessens assumed the development of this new building that consists of ca. 8,000 m² storage space and ca. 800 m² office space.

The lease was concluded for a fixed term of nine years and three months. Some 150 people will be employed at this location.

This transaction represents a total investment value of €7.1 million and will generate a gross initial yield of ca. 7.3%.

[5] For more information, cf. press release of 1/08/2017 or www.montea.com.
[6] For more information, cf. press release of 1/08/2017 or www.montea.com.
[7] For more information, cf. press release of 15/09/2016 or www.montea.com.

2.2. Development activity during the third quarter of 2017

- **18/07/2017 - Launch of second build-to-suit project at the logistics parc in Camphin-en-Carembault (FR) – Investment value of € 14.1 million**[8]

Only 1.5 month after the signing of the first build-to-suit project for DSM at the Logistics Park in Camphin-en-Carembault (FR), Montea and GBS (Groupement des Bières Spéciales) signed a lease agreement for a period of 9 year for the development of a second build-to-suit project. The building of approximately 24,400 m² is divided into 4 units, of which GBS will rent approx. 18,500 m² (3 units). GBS will use the building as a distribution centre for France (www.gbs-solutions-boissons.fr).

Montea «Space for Growth» - Camphin-en-Carembault site (FR)

The building will be operational in the first quarter of 2018. The development represents a total investment value of approx. € 14.1 million. Upon letting the fourth unit, which Montea expects to finalize before the building is delivered in the beginning of 2018, this distribution centre will generate an additional rent of approx. € 1 million per year.

- **1/08/2017 - Montea offers Delta Wines in Waddinxveen ca 5,000 m² more floor space so that it can continue to grow**[9]

In February 2014[10] Montea acquired a ca. 19,500 m² distribution centre on 25,800 m² of land, let to Delta Wines. The site is strategically located along the A12 motorway with connection The Hague–Utrecht–Arnhem–Rhur Valley.

Montea «Space for Growth» - Waddinxveen site – Delta Wines (NL)

8 For more information, cf. press release of 18/07/2017 or www.montea.com.
9 For more information, cf. press release of 1/08/2017 or www.montea.com.
10 For more information, cf. press release of 7/02/2014 or www.montea.com.

To keep pace with its growth, Delta Wines has asked Montea to expand the aforementioned site by ca. 5,000 m². Delta Wines signed an additional lease for a fixed period of 12 years under the same terms and conditions. This investment value of this extension (including terrain) is € 3,3 million and will generate additional rent of ca. €225,000 per year.

The necessary permits have been obtained and this extension is scheduled for delivery in the first quarter of 2018.

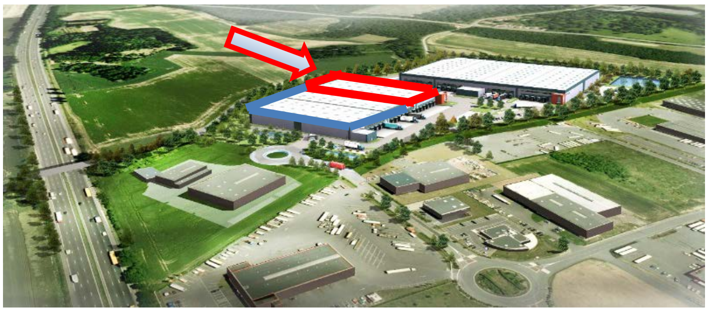
2.3. Divestment activity during the third quarter of 2017

There are no divestments during the third quarter of 2017.

2.4. Lease activity during the third quarter of 2017

- **5/09/2017 – New long-term lease with Danone (D.P.F.F.) for ca. 6,000 m² in Camphin-en-Carembault (FR) – 100% occupancy rate for building of ca. 18,000 m² [11]**

In December 2014, Montea and Panafrance concluded a partnership agreement for the development of a logistics platform on a 103,000 m² plot in Camphin-en-Carembault[12]. Two distribution centres are being developed on the plot of ca. 18,000 m² and ca. 24,000 m² (total floor space: ca. 42,000 m²).



Danone (D.P.F.F.) will rent 1 unit of ca. 6,000 m² for a fixed period of 9 years in the ca. 18,000 m² building. For the other two units (ca. 12,000 m²), Montea has already signed a lease with DSM Food Specialties France SAS. This brings the occupancy rate of this building to 100%. In the meantime, the marketing effort continues for the remaining 6,000 m² of the other building on the site.

The transaction represents a total investment value of €11.2 million and will generate a rental income of €740,440 per year for the entire building as of April 2018.

- **5/09/2017 – New ease agreement with Parker Hannifin Manufacturing Belgium for 9,900 m² in Milmort (BE) [13]**

Montea and Parker Hannifin Manufacturing Belgium have signed a lease for a 9-year term for a 9,900 m² unit at the Milmort site, with a strategic location along the E313 in the direction of Antwerp and the E40 in the direction of Brussels.

This agreement is to generate a rental income of €283,000 per year as of August 2017.

[11] For more information, see the press release of 5/09/2017 or www.montea.com.
[12] For more information, see the press release of 03/12/2014 and of 30/05/2017 or www.montea.com.
[13] For more information, see the press release of 5/09/2017 or www.montea.com.

The Parker group is a world leader in the production and distribution of components for the mobile, industrial and aerospace sector (www.parker.com).

- **5/09/2017 – Second lease with Nippon Express Belgium for 5,300 m² in Willebroek (BE)** [14]

Montea and Nippon Express Belgium have once again signed a lease for a 9-year term for a 5,300 m² unit on

"De Hulst" in Willebroek. This sustainable logistics estate boasts a unique location between the A12 and the E19 Brussels/Antwerp motorways.
Nippon Express Belgium is already a lessee of a 6,000 m² built-to-suit project at Brucargo in Zaventem (www.nipponexpress.com).

The new agreement is to generate a rental income of €263,000 per year as of September 2017.

2.5. Further strengthening and diversification of the financing structure

- **On 27 September 2017 Montea finalized a successful capital increase of €68,004,527 by issuing 1,658,647 new shares** [15]

On 14 September 2017, Montea launched a public offering for subscription to 1,658,647 new shares maximum under an increase of capital in cash within the framework of the authorized capital with irreducible allocation rights for a maximum amount of €68,004,527.

The share capital (exclusive of the issue premium of €34,201,301.14) was increased by €33,803,225.86 and was thus brought to €236,623,450, represented by 11,610,531 shares. The new Montea shares are of the same nature as the existing shares and entitle the holder to a (pro rata temporis) dividend per share (if there is profit to be distributed) as of 1 October 2017.

[14] For more information, see the press release of 5/09/2017 or www.montea.com.
[15] For more information, see the press release of 27/09/2017 or www.montea.com.

3. Value and composition of investment properties on 30/09/2017

➢ **The fair value of the total property assets amounted to € 631.2 million, consists of the value of the property portfolio (€ 612.4 million), current developments (€ 9.2 million) and the value of the solar panels (€ 9.6 million)**

MONTEA SPACE FOR GROWTH	Total 30/09/2017	Belgium	France	The Netherlands	Total 31/12/2016	Total 30/09/2016
Real estate portfolio - Buildings (0)						
Number of sites	**52**	27	14	11	**47**	**48**
Warehouse space (sqm)	**824.767**	481.667	118.135	224.965	**715.310**	**769.849**
Office space (sqm)	**76.520**	43.969	13.181	19.370	**67.668**	**67.681**
Total space (sqm)	**901.287**	525.636	131.316	244.335	**782.978**	**837.530**
Development potential (sqm)	**201.385**	136.385	53.000	12.000	**230.344**	**230.344**
Fair value (K EUR)	**612.418**	322.130	90.555	199.732	**532.063**	**544.240**
Investment value (K EUR)	**640.915**	330.183	97.017	213.714	**558.167**	**570.378**
Annual contractual rents (K EUR)	**43.892**	23.523	7.143	13.227	**38.929**	**40.399**
Gross yield (%)	**7,17%**	7,30%	7,89%	6,62%	**7,32%**	**7,42%**
Gross yield on 100% occupancy (%)	**7,44%**	7,81%	7,89%	6,62%	**7,43%**	**7,62%**
Un-let property (m²) (1)	**39.078**	39.078	0	0	**15.274**	**22.170**
Rental value of un-let property (K EUR) (2)	**1.641**	1.641	0	0	**619**	**1.086**
Occupancy rate	**95,6%**	92,5%	100,0%	100,0%	**98,1%**	**97,3%**
Real estate portfolio - Solar panels (3)						
Fair value (K EUR)	**9.623**	9.623	0	0	**9.978**	**10.094**
Real estate portfolio - Developments (4)						
Fair value (K EUR)	**9.146**	3.635	5.511	0	**10.281**	**27.994**

The fair value of the investment in solar panels is entered under heading "D" of the fixed assets in the balance sheet.
The fair value of the project developments is entered in heading "C" of the fixed assets in the balance sheet.

✓ The **total surface area** of the property buildings amounts to 901,287 m², spread over 27 sites in Belgium, 14 in France and 11 in the Netherlands.

➢ The **fair value of the total property portfolio buildings** amounts to € 612.4 million and, based on the valuation by the independent real estate expert, is increased to € 80 million in the first 9 months of 2017, partly because of:

- In Belgium (+ € 53.8 million):
  - The acquisition of the site in Willebroek, rented to the Metro Group, in Q1/2017
  - The delivery of the site at Brucargo, rented to SACO in Q2/2017
  - The acquisition of the site at Brucargo, rented to DHL Aviation in Q2/2017
  - The delivery of the crossdock center for Mainfreight in Genk, in Q3/2017

- in the Netherlands (+ € 30.5 million):
  - the delivery of the projet in Aalsmeer, rented to Scoth & Soda in Q1/2017
  - the start of the extension projet in Waddinxveen, rented to Delta Wines
  - the acquisition of Brakman, rented to NSK in Q2/2017;

- in France (- € 3.9 million):
  - the sale of the third and last site (in Savigny-le-Temple, rented to Le Piston Français) in Q1 and compensated partielly by
  - the acquisition of the site in Alfortville, rented to Brardt

✓ The **fair value of the total property portfolio developments** amounts to € 9.2 million and consists of the fair value of the works already performed at Genk, for Carglass (expected delivery in Q1 2018) and the faire value of the development of the buildings at Camphin (rented to DSM, Danone and GBS).

✓ The **gross property yield** on the total of the property investments in construction amounts to 7.17%, based on a fully rented portfolio, compared with 7.52% on 30/06/2017.

✓ The **contractual annual rental income** (exclusive of rental guarantees) amounts to € 43.9 million, an increase of 12.8% compared with 31/12/2016, due to the growth of the property portfolio.

✓ The **occupancy rate** amounts to 95.6%[16]**.** The vacancy consists of the building in Willebroek for which severance compensation was obtained in 2016 from Neovia Logistics, and the building in Puurs, formerly rented to H&M. A part of the building in Milmort is also vacant (formerly rented to Vincent Logistics). The property, that was rented to SAS Automotive but for which a one-time break-off fee was received, has in the meantime been rented to Bleckman België NV.

[16] The occupancy rate is based on the number of m². In calculating the occupancy rate, the non-leasable m² intended for (re)development in the land bank have not been included in either the denominator or the numerator.

4. Summary of the condensed financial statement for the third quarter closed on 30/09/2017

4.1. Condensed consolidated (analytical) income statement for the third quarter closed on 30/09/2017

ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (K EUR) Analytical	30/09/2017 6 months	31/12/2016 RESTATED (0) 12 months	30/09/2016 RESTATED (0) 6 months
CONSOLIDATED RESULTS			
NET RENTAL RESULT	**30.164**	**40.518**	**30.563**
PROPERTY RESULT	**32.917**	**41.258**	**31.353**
% compared to net rental result	**109,1%**	**101,8%**	**102,6%**
TOTAL PROPERTY CHARGES	**-967**	**-1.043**	**-803**
OPERATING PROPERTY RESULT	**31.950**	**40.215**	**30.551**
General corporate expenses	-2.862	-3.769	-2.803
Other operating income and expenses	-76	-142	-43
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	**29.011**	**36.304**	**27.704**
% compared to net rental result	**96,2%**	**89,6%**	**90,6%**
FINANCIAL RESULT excl. Variations in fair value of the hedging instruments	**-8.338**	**-11.780**	**-7.588**
EPRA RESULT FOR TAXES	**20.673**	**24.524**	**20.116**
Taxes	-885	-506	-348
EPRA Earnings	**19.788**	**24.018**	**19.768**
per share (1)	**1,90**	**2,47**	**2,03**
Result on disposals of investment properties	769	8.131	-315
Result on disposals of other non-financial assets	0	**0**	0
Changes in fair value of investment properties	3.519	670	468
Other portfolio result	0	**0**	0
PORTFOLIO RESULT	**4.287**	**8.801**	**153**
Changes in fair value of financial assets and liabilities	5.168	-616	-6.095
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**5.168**	**-616**	**-6.095**
NET RESULT	**29.244**	**32.204**	**13.827**
per share	**2,81**	**3,31**	**1,42**

(0) The gray cells were adjusted due to the change in the valuation rule implemented in Q2 2017. Equity is not affected. Furthermore, this adjustment has no impact on the EPRA earnings and the distributable profit.

4.2. Notes on the condensed consolidated (analytical) income statement for the third quarter closed on 30/09/2017

- **The net rental income amounts to € 30.2 million, a drop of € 0.4 million compared to the same period last year – The operating result before the result on the property portfolio amounts to € 29.0 million, a rise of € 1.3 million (4.7%) compared to the same period last year**

The **net rental income** (€ 30.2 million) drops slightly in comparison with the net rental income for the same period in 2016 (€ 30.6 million) or € 0.4 million due to a higher severance fee received from Neovia Logistics in 2016 (€ 2.3 million) compared to the one-time break-off fee of SAS Automotive received in 2017 (€ 1.3 million) partially offset by the rental income received as a result of the investments made in 2016 and 2017. The rental loss due to the sale of 2 French properties at the end of 2016 and the third French building in March 2017 will be compensated by this rental income

The drop in the net rental income is more than offset by the provision for the once-off compensation received in April 2017 for the delivery of the building in Brucargo developed for the lessee DHL Aviation NV (€ 0.9 million), the payment for extra works for the same tenant financed by Montea (€ 0.4 million), other income such as damages and PM fees received from tenants (€ 0.4 million) and additional income from solar panels (€ 0.3 million), leading to an increase in property result from € 1.6 million to € 32.9 million.

The property costs (€ 0.2 million) **and overheads** (€ 0.1 million) increased because of the portfolio growth, which leads to an operating property result before the result on the property portfolio of € 29.0 million (+ € 1.3 million or (4.7%) at the end of Q3 2017 compared with € 27.7 million at the end of Q3 2016.

The **operating margin**[17] thus amounts to 96.2% for the first 9 months of 2017 compared with 90.6% for the same period in the previous year. The operating margin is strongly influenced by the one-off compensation payments received from SAS Automotive and those received for the delivery of the building let to DHL Aviation. Without these one-off compensation payments, the operating margin amounts to 92.9%.

- **The net negative financial result (exclusive of the valuation of the hedging instruments) amounts to €8.3 million for the first 9 months of 2017 – an increase of €0.7 million compared with the same period in the previous year.**

The **net negative financial result** as at 30/09/2017 amounts to €8.3 million, an increase of €0.7 million compared with the same period in the previous year, as a result of an increase of the average financial indebtedness[18] for investments, particularly in Genk, the Crossdock Center let to Mainfreight, the further development of the site in Genk let to Carglass, and the site in Camphin, let to DSM, Danone and GBS.

The average financial cost[19]* calculated on the average financial indebtedness exclusive of the negative value of the hedging instruments as at 30/09/2016 amounts to 3.0% in line with the average financial cost for the same period in the previous year.

- **The net earnings amount to €29.2 million and, in addition to the EPRA earnings of €19.8 million, are strongly determined by the positive variation in the valuation of the property portfolio of €3.5 million, the earnings from the sale of property investments of €0.8 million, and the positive variation in the valuation of the hedging instruments of €5.2 million.**

The **net earnings** for the third quarter amount to €29.2 million (€2.81 per share) compared with €13.8 million (€1.42 per share) for the same period in 2016. The result is strongly influenced by the positive development in the real value of the hedging instruments (€5.2 million) and the positive variations in the real value of the property portfolio (€3.5 million).

[17] The operating result before the result on the property portfolio compared with the net rental income.

[18] The average financial indebtedness is determined by the average of all financial debts of Montea, including the lines of credit, debenture loans and leasing debts. The negative value of the hedging instruments is not taken into account in the average financial indebtedness.

*The average financial cost concerns the weighted average interest rate on an annual basis for the reporting period, taking into account the average outstanding debts and hedging instruments during that period.

- **EPRA earnings of € 19.8 million (€ 1.90 per share)**

  The **EPRA earnings** for the first 9 months of 2017, amount to € 19.8 million, in line with the EPRA earnings for the same period last year. The EPRA earnings per share amounts to € 1.90 per share, a decrease of € 0.13 per share compared to last year due to the increase in shares in Q3 2017 following the increase in capital.

4.3. Condensed consolidated balance sheet on 30/09/2017

CONSOLIDATED BALANCE SHEET (EUR)	30/09/2017 Conso	31/12/2016 Conso	30/09/2016 Conso
NON-CURRENT ASSETS	**631.998.584**	**545.461.627**	**583.205.770**
CURRENT ASSETS	**91.433.232**	**49.297.472**	**29.731.100**
TOTAL ASSETS	**723.431.816**	**594.759.099**	**612.936.870**
SHAREHOLDERS' EQUITY	**326.001.280**	**251.964.960**	**231.750.393**
Shareholders' equity attributable to shareholders of the parent company	325.882.797	251.846.477	231.631.909
Minority interests	118.483	118.483	118.483
LIABILITIES	**397.430.536**	**342.794.139**	**381.186.477**
Non-current liabilities	364.042.255	310.381.242	344.465.317
Current liabilities	33.388.281	32.412.897	36.721.160
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**723.431.816**	**594.759.099**	**612.936.870**

4.3.1. Notes on the consolidated balance sheet as at 30/09/2017

- On 30/09/2017 the **total assets** (€ 723.4 million) consist mainly of investment properties (85% of the total), solar panels (1.3% of the total) and developments (1.3% of the total). The remaining amount of the assets (12.4% of the total) consists of the intangible, other tangible and financial fixed assets, including assets intended for own use and current assets, including cash investments, trade and tax receivables.

- The **total liabilities** consist of the shareholders' equity of €326.0 million and a total debt of € 397.4 million.

  This **total debt** consists of:
  - A total amount of € 247.3 million in drawn lines of credit from 6 Belgian financial institutions. Montea has at this time a total amount of € 255 million in drawn lines of credit from 6 Belgian financial institutions and a non-drawn capacity of € 7.8 million. All the lines of credit to be refinanced were extended in July 2017.
  - A total amount of € 109.4 million in debenture loans (4 in total) which Montea took out in 2013, 2014 and 2015.
  - A total leasing debt of € 0.3 million for the further financing of the site in Milmort.
  - The accumulated negative value of the current hedging instruments amounting to € 19.6 million.
  - Other debts and accrued charges and deferred income amounting to € 20.8 million. The accrued charges and deferred income comprise in large measure the rent for the following quarter invoiced in advance.

- The **debt ratio**[20] stands at 50.6%. The drop of the debt ratio from 30/06/2017 (56.2%) is largely attributable to the earnings in Q3 2017, and the capital increase that took place in September 2017.

  Montea meets all the debt ratio agreements concluded with its financial institutions, under the terms of which Montea's debt ratio may not exceed 60%.

- The **EPRA NAV** amounted to €29.76 per share as at 30/9/2016. When the net negative variation of the fair value of hedging instruments (IAS 39) is taken into account, the net asset value or **IFRS NAV** amounts to €28.07 per share.

Based on the closing rate as at 30/09/2017 (€45.20), the Montea share was listed at 61% above the net asset value per share (exclusive of IAS 39).

[20] Calculated according to the Royal Decree of 13 July 2014 concerning regulated real estate companies.

5. Important events after 30/09/2017

➢ **24/10/2017 – Montea creates growth for Bas Logistics in Etten-Leur (NL) through Sale and Rent Back of a logistics distribution centre of ca 8,600 m² and development of adjoining build-to-suit project of ca. 11,400 m²**[21]

Montea has acquired a logistics distribution centre at the Business Park Vosdonk, located in Etten-Leur, between Breda and Roosendaal, right on the A58 motorway (Exit 19). The logistics distribution centre consists of 6,870 m² storage space and 1,730 m² office space and is rented to Bas Logistics.

Montea «Space for Growth» - Bas Logistics – Etten-Leur site (NL)

Montea has also acquired a 20,808 m² adjoining plot of land for the development and rent of an extension of the existing distribution centre for Bas Logistics. The building will consist of ca. 9,900 m² storage space, a mezzanine of ca. 900 m² and a workplace of ca 570 m². The build-to-suit project will be operational by April 2018.

Bas Logistics has signed a triple-net lease for a fixed period of 13 years for the existing distribution centre and for a fixed period of 12.5 years for the extension. The company is an all-round logistics service provider with branches in Etten-Leur (Netherlands), Cambiago (Italy) and Bratislava (Slovakia) (www.bas.eu).

This transaction represents a total investment value of € 14 million (in line with the investment value defined by the real estate expert), financed by bank debt, and will generate a net initial yield of about 6.0%.

➢ **Montea acquires a build-to-suit project exceeding 47,000 m² for Decathlon at MG Park De Hulst in Willebroek (BE) - Investment value of € 31.6 million**[22]

Montea concluded a partnership agreement with MG Real Estate in December 2013 to develop the sustainable logistics parc “MG Park De Hulst” in Willebroek, with a total of 150,000 m² logistics space to be developed. Montea buys a high-quality distribution centre for Decathlon as final part of this successful cooperation. In addition, Montea buys the remaining plots of land for € 3.2 million adjacent to the existing developments of Dachser and Federal Mogul.

The development for Decathlon is on a plot of land of ca 71,000 m² and comprises 46,274 m² storage space, 1,022 m² offices and 256 parking places. The entire distribution for Decathlon Benelux is organized from this development (www.decathlon.be). Decathlon, already a tenant of Montea for its facility in Bornem, will rent the building for a minimum fixed period of 10 years.

[21] For more information, cf. press release of 24/10/2017 or www.montea.com.
[22] For more information, cf. press release of 6/11/2017 or www.montea.com.

Montea «Space for Growth» - Site Willebroek MG Park De Hulst - Decathlon (BE)

This operation represents a total investment value of € 31.6 million and will generate a gross initial yield of ca. 6.5%. This growth is financed with funds that Montea obtained recently through an increase of capital of € 68 million. There was a discussion between Montea and MG Real Estate about this project at the time of the capital increase, so this project is not part of the previously announced projects in progress for an amount of € 79 million.

Jo De Wolf, CEO Montea: "*We are particularly delighted to add this development to our portfolio. This transaction confirms that a major player such as Decathlon has firmly taken root in Belgium. This acquisition, which is generating rental income immediately, will also contribute to Montea's EPRA earnings of 2017.*"

6. Outlook

- Investment pipeline

  In the present climate of yield compression and in view of the sound investment policy pursued by Montea, built-to-suit projects are becoming increasingly more important. Such projects have a longer life time than pure acquisitions.

  Thanks to its successful acquisition and development policy, Montea has raised its growth target for 2017 from € 650 million to € 700 million.

- Occupancy rate and term of the leases

  On 30/09/2017, the occupancy rate amounts to 95.6%. Montea expects to end 2017 with an occupancy rate above 95%. The average term of leases until the first termination option (including the signed lease contract for the project development at Genk with Carglass) amounts to 7.5 years. Based on the already announced growth, Montea expects to maintain the average term of its leases above 7 years by the end of the financial year.

- Operating margin

  The operating margin has risen to an average of 96.2% over the first three quarters of 2017. Montea expects to maintain the operating margin above 90% over the full year 2017.

- Financial cost

  As of 30/09/2017, based on the debt on that date, the financial cost is 3.0%, in line with the intended goal of keeping the recurrent financial cost below 3.5%. The cost of the hedging instruments (Montea wants to cover 80% of its indebtedness) is included in this percentage. The hedge ratio amounts to 92% at the end of Q3 2017.

- Financing strategy

  Taking into account a debt ratio limit of 60%, Montea still has an investment capacity of € 170 million. Montea is endeavouring to pursue a diversified financing policy, where the aim is to bring the term of our loans (now 5.1 years) in line with the term of our leases (now 7.5 years on average).

- EPRA earnings

  Based on the earnings of €19.8 million for the first 9 months, the pending net income from projects acquired recently and those to be acquired, and the letting of the existing vacant properties, Montea is on course to earn more than €26.5 million. Despite the capital leases of €68 million earlier this year, Montea expects to register minimum EPS growth of 4%.

7. EPRA Performance measures

EPRA earnings – EPRA earnings per share

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

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

Calculation: The detailed calculation of this APM is given below:

EPRA earnings

	(in EUR X 1 000)	**30.09.2017**	**30.09.2016 RESTATED (0)**
	Net result (IFRS)	**29.244**	**13.827**
	Changes for calculation of the EPRA earnings		
	To exclude:		
(i)	Variations in fair value of the investment properties and properties for sale	-3.519	-468
(ii)	Result on sale of investment properties	-769	315
(vi)	Variations in fair value of the financial assets and liabilities	-5.168	6.095
	EPRA earnings	**19.788**	**19.768**
	Weighted average number of shares	10.421.227	9.722.190
	EPRA earnings per share (€/share)	**1,90**	**2,03**

(0) The grey cells were adapted following the change in the valuation rule introduced in Q2 2017. The shareholders' equity is not affected. Furthermore, this adjustment has no impact on the EPRA learnings and on the distributable profit.

EPRA NAV – EPRA NAV per share

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

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

Calculation: The detailed calculation of this APM is given below:

(in EUR X 1 000)	**30.09.2017**	**31.12.2016**
IFRS NAV	**325.883**	**251.846**
NAV per share (€/share)	**28,07**	**25,31**
Effect of exercise of options, convertible debt and other equity instruments		
Diluted net asset value after effect of exercise of options, convertible debt and other equity instruments	**325.883**	**251.846**
To exclude		
IV. Fair value of financial instruments	19.636	24.804
EPRA NAV	**345.519**	**276.650**
Number of shares in circulation per end period	11.610.531	9.951.884
EPRA NAV per share (€/share)	**29,76**	**27,80**

EPRA NNNAV – EPRA NNNAV per share

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

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

Calculation: The detailed calculation of this APM is given below:

EPRA NNNAV

		(in EUR X 1 000)	**30.09.2017**	**31.12.2016**
		EPRA NAV	**267.271**	**276.651**
		Number of shares in curculation at the end of the period	9.951.884	9.951.884
		EPRA NAV (€/share)	**26,86**	**27,80**
		To add:		
(i)	I.	Fair value of financial instruments	-19.957	-24.804
(ii)	II.	Revaluation of the fair value of financing at fixed interest rate	6.032	6.573
		EPRA NNNAV	**253.346**	**258.419**
		Nmber of shares in circultation at the end of the period	9.951.884	9.951.884
		EPRA NNNAV (€/share)	**25,46**	**25,97**

EPRA vacancy

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

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

Calculation: The detailed calculation of this APM is given below:

EPRA VACANCY RATE

(in EUR X 1 000)	(A) Estimated rental value (ERV) for vacancy	(B) Estimated rental value portfolio (ERV)	(A/B) ERPA Vacancy rate *(in %)*	(A) Estimated rental value (ERV) for vacancy	(B) Estimated rental value portfolio (ERV)	(A/B) ERPA Vacancy rate *(in %)*
	30/09/2017	30/09/2017	30/09/2017	31/12/2016	31/12/2016	31/12/2016
	0 €	0 €	0 €			
Belgium	1.641	25.417	6,5%	429	19.914	2,2%
France	-	7.160	0,0%	-	7.175	0,0%
The Netherlands	-	13.484	0,0%	-	11.659	0,0%
	0 €	0 €	0,0%			
Total	**1.641**	**46.061**	**3,6%**	**429**	**38.748**	**1,1%**

8. Detailed calculation of the APMs used by Montea[23]

Result on the portfolio

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

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

Calculation: The detailed calculation of this APM is given below:

RESULT ON PORTFOLIO (in EUR X 1 000)	30.09.2017	30.09.2016 RESTATED (0)
Result on sale of property investments	769	-315
Variations in the fair value of property investments	3.519	468
RESULT ON PORTFOLIO	**4.287**	**153**

(0) The gray cells were adjusted due to the change in the valuation rule implemented in Q2 2017. Equity is not affected. Furthermore, this adjustment also has no impact on the EPRA earnings and the distributable profit.

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

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

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

Calculation: The detailed calculation of this APM is given below:

FINANCIAL RESULT excl. variations in fair value of financial instruments (in EUR X 1 000)	30.09.2017	30.09.2016
Financial result	-3.171	-13.683
To exclude:		
Variations in fair value of financial assets & liabilities	-5.168	6.095
FINANCIAL RESULT excl. variation in fair value of financial instruments	**-8.338**	**-7.588**

[23] Exclusive of the EPRA indicators, some of which are considered as an APM and are calculated under Chapter 4 EPRA Performance measures.

Operating margin

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

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

Calculation: The detailed calculation of this APM is given below:

OPERATING MARGIN (in EUR X 1 000)	30.09.2017	30.09.2016 RESTATED (0)
Net rental result	30.164	30.563
Operating result (before the result on the portfolio)	29.011	27.704
OPERATING MARGIN	**96,2%**	**90,6%**

Average cost of debt

Definition: Average financial cost over the entire year calculated on the basis of the total financial result with regard to the average of the initial and end outstanding balance of the financial debt burden for 2016 without taking into account the valuation of the hedging instruments.

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

Calculation: The detailed calculation of this APM is given below:

AVERAGE COST OF DEBT (in EUR X 1 000)	30/09/2017	30/09/2016
Financial result	-3.171	-13.683
To exclude:		
Variations in fair value of financial assets and liabilities	-5.168	6.095
TOTAL FINANCIAL CHARGES (A)	-8.338	-7.588
AVERAGE FINANCIAL DEBTS (B)	367.270	341.107
AVERAGE COST OF DEBT (A/B) (*)	**3,0%**	**3,0%**

9. Financial calendar

➢ 22/02/2018	Annual financial report - Results per 31/12/2017 (after the closing of the stock exchange)
➢ 15/05/2018	Interim statement - Results per 31/03/2018 (before the opening of the stock exchange)
➢ 15/05/2018	General shareholders meeting
➢ 21/08/2018	Half yearly financial report - Results per 30/06/2018 (before the opening of the stock exchange)
➢ 07/11/2018	Interim statement - Results per 30/09/2018 (before the opening of the stock exchange)

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

About MONTEA “SPACE FOR GROWTH”

Montea Comm. VA is a public property investment company (PPIC – SIIC) under Belgian law specialising in logistical property in Belgium, France and the Netherlands, where the company is a benchmark player. Montea literally offers its customers room to grow by providing versatile, innovative property solutions. In this way, Montea creates value for its shareholders. Montea was the first Belgian property investor to be awarded the Lean & Green Star in recognition of effectively reducing CO2 emissions in the Belgian portfolio by 26%. On 30/09/2017 Montea’s property portfolio represented total space of 901,287 m² across 52 locations. Montea Comm. VA has been listed on NYSE Euronext Brussels (MONT) and Paris (MONTP) since 2006.

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FOR MORE INFORMATION

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