



**RETAIL
ESTATES**



PRESS RELEASE

Ternat, 12 May 2020

COVID-19 (CORONAVIRUS) - UPDATE

**ALL SHOPS IN BELGIUM AND THE NETHERLANDS OPEN FOR CUSTOMERS
RUNSHOPPING WILL BE THE RULE FOR A LONG TIME**

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ALL SHOPS IN BELGIUM AND THE NETHERLANDS OPEN FOR CUSTOMERS

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The Belgian government put an end on Monday 11 May 2020 to the compulsory closure that affected the majority of Belgian shops. Retail Estates welcomes this step, which is a logical consequence of the significant improvement in the figures that are published about the spread of the corona virus. The success of this exit from the lockdown now lies entirely in the hands of the consumers and shopkeepers, and mainly depends on the way in which they will interact. Circumstances are not ideal for an optimal shopping experience, and “runshopping” will probably replace “funshopping” quite a while. When it comes down to gaining the favour of insecure consumers, the location of the retail units of Retail Estates on the edge of cities and within the green belt of residential areas is certainly an advantage over other shopping destinations, with easy accessibility and parking facilities as an additional asset. In the Netherlands, all shops have remained open during the entire period of the corona epidemic. Only the catering establishments are still closed, both in Belgium and in the Netherlands.

Retail Estates will now dedicate its available means to eliminating the arrears in payment of rent of its Belgian customers. In line with the prognosis made in the press release of 1 April 2020, these arrears total € 4.79 million for the month of April 2020. The approach has remained unchanged and aims at a well-balanced agreement with each of the tenants individually for the entire period of the closure and the reopening of the respective shops, i.e. from April to and including June 2020. We are aware that all stakeholders are eager to be informed of the ongoing efforts in parallel with the annual results for the 2019-2020 financial year closed on 31 March 2020 and will therefore publish the annual results and the annual financial report on 12 June 2020 instead of on the originally scheduled date for the publication of the annual results, i.e. 20 May 2020. Indeed, the period between the reopening of the shops and the date of 20 May 2020 is too short to be able to present relevant results. Following the same logic, the publication of the results of the first quarter of the 2020-2021 financial year will be postponed from 24 July 2020 to 4 September 2020. This will allow us to incorporate the sales results and the evolution of the liquidity position during the sales period, which is very important for the liquidity position of many of our tenants.

Retail Estates closed its 2019-2020 financial year on 31 March with a strong operational basis, which was hardly affected by the corona crisis, the impact of which on the retail sector started on 19 March 2020. At the end of the financial year, the net rental income amounted to € 107.61 million, without exceptional arrears in payment of rent. As a matter of fact, the majority of the rents for March 2020 had already been paid. The occupancy rate of 97.92% is also a sign of the health of the portfolio¹. In addition, the company has had the financial means that were required to complete the announced acquisition of two retail parks at Den Bosch (completed on 7 April 2020) and Maastricht (expected for early June) respectively. The proceeds of the € 75 million bond loan issued in December 2019 had been reserved for that purpose. In the light of the above, Retail Estates confirms its dividend prognosis of € 4.40 for the closed 2019-2020 financial year.

With respect to the prospects for the current financial year, which started on 1 April 2020, Retail Estates refers to the previous press release, adding a nuance as regards the period of closure of the shops, as this period is now known, given the reopening of the shops.

¹ Including the retail park De Bossche Boulevard at's- Hertogenbosch, which was acquired on 7 April 2020 (see press release of 26 February 2020).

ABOUT RETAIL ESTATES NV

The Belgian public real estate investment trust Retail Estates nv is a niche player specialised in making in out-of-town retail properties located on the periphery of residential areas or along main access roads to urban centres available to users. Retail Estates NV acquires these real properties from third parties or builds and commercialises retail buildings for its own account. The buildings have useful areas ranging between 500m² and 3,000m². A typical retail building has an average area of 1,000 m².

As of 31 December 2019, Retail Estates nv has 970 premises in its portfolio with a total retail area of 1,122,499 m², spread over Belgium and the Netherlands. The occupancy rate of the portfolio was 97.98% on 31 December 2019, compared to 98.28% on 31 March 2019. The fair value of the consolidated real estate portfolio of Retail Estates NV as at 31 December 2019 is estimated at EUR 1,665.62 million by independent real estate experts.

Retail Estates NV is listed on Euronext Brussels and Euronext Amsterdam and is registered as a public regulated real estate company.

FORWARD-LOOKING STATEMENTS

This press release contains a number of forward-looking statements. Such statements are subject to risks and uncertainties which may lead to actual results being materially different from the results which might be assumed in this press release on the basis of such forward-looking statements. Major factors that may influence these results include changes in the economic situation, commercial, tax-related and environmental factors.

Ternat, 12 May 2020

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