PRESS RELEASE

Periodic statement - regulated information – insider information
Ternat, 26 May 2023

ANNOUNCEMENT OF THE ANNUAL RESULTS OF THE FINANCIAL YEAR 2022-2023

THE 25TH ANNIVERSARY OF THE FIRST STOCK EXCHANGE LISTING OF RETAIL ESTATES IS CELEBRATED WITH EXCELLENT ANNUAL FIGURES.

AFTER THE CORONAVIRUS CRISIS, THE OUT-OF-TOWN RETAIL REAL ESTATE MARKET NOW ALSO COPES WITH THE CONSEQUENCES OF THE ENERGY CRISIS AND THE HIGH INFLATION AND PROVES ITS RESILIENCE.

THE EPRA EARNINGS PER SHARE AMOUNT TO € 6.34, REPRESENTING AN INCREASE OF 9% COMPARED TO PREVIOUS FINANCIAL YEAR. AN ATTRACTIVE GROWTH IS ACHIEVED, EVEN AFTER CORRECTION FOR THE NON-RECURRING EFFECT RELATED TO THE FBI QUALIFICATION IN THE NETHERLANDS. THE PROCEEDS OF THE CAPITAL INCREASE OF JUNE 2022 WERE INVESTED IN ACQUISITIONS IN THE NETHERLANDS, THUS ELIMINATING THE DILUTIVE EFFECT OF THE ISSUE OF NEW SHARES.

THE CONTINUED INTEREST OF INVESTORS IN RETAIL PARKS ALL OVER EUROPE IS REFLECTED IN STABLE VALUATIONS. ACROSS THE ENTIRE REAL ESTATE PORTFOLIO, AT CONSTANT COMPOSITION, THE INCREASE IN VALUE COMPARED TO 31 MARCH 2022 IS 3.22%.

THE OCCUPANCY RATE OF 98.08% HAS RETURNED TO THE LEVEL OF THE 25-YEAR AVERAGE.

THE DEBT RATIO HAS DECREASED TO A HISTORICALLY LOW LEVEL, NAMELY 44.77%.

THE INTEREST RATE RISKS FOR THE NEXT THREE FINANCIAL YEARS ARE ALMOST COMPLETELY HEDGED. THE AVERAGE BANK FINANCING COST EQUALS TO 2.06%.

2022-2023 TARGET AS STATED IN THE THREE-YEAR PLAN 2022-2025 IS EXCEEDED; € 12.95 MILLION INVESTMENTS IN ESG OBJECTIVES OUT OF A TOTAL THREE-YEAR OBJECTIVE OF € 30 MILLION CAPEX AND € 3.6 MILLION OPEX.

INCREASE OF THE PROPOSED DIVIDEND OF € 4.60 FOR FINANCIAL YEAR 2021-2022 TO € 4.90 AS A RESULT OF THE STRUCTURALLY INCREASED PROFITABILITY, BY THE DISTRIBUTION OF AN INTERIM DIVIDEND IN THE FORM OF AN OPTIONAL DIVIDEND.

Annual results for the period 01.04.2022 through 31.03.2023

1. 2022-2023 FINANCIAL YEAR IN A NUTSHELL

Retail Estates celebrates the 25th anniversary of it first stock exchange listing with the highest profits ever. The value increase of the real estate investments reflects the resilience of the out-of-town retail real estate sector in spite of the trials and tribulations caused by the energy crisis and the unprecedented inflation that caused the costs of construction and the wage costs to soar. Nevertheless, the economic context was difficult due to the energy crisis, which affected both consumers and retailers, and a surge of inflation that quickly went out of control. Even if the inflation could be controlled, its impact on the interest costs would still be noticeable for a considerable period of time. All over Europe, out-of-town retail parks are highly sought after by real estate investors on account of their excellent performance over the recent turbulent years, marked by the COVID-19 epidemic and the energy crisis. This explains why the valuation of these investments remains stable in spite of the increased funding costs.

The entire retail sector faces an increase in cost base. The indexation of wages and rents reinforced the impact of the soaring energy costs. Many retailers have been able to mitigate the effect by raising their prices and/or lowering their margins, but this was not an option for some segments. In particular the highly competitive environment of the food retail sector only allows narrow profit margins, making it difficult to return to its pre-COVID-19 profitability level. Whenever it was deemed necessary to protect the tenants' profitability, Retail Estates has accepted limited rent reviews in line with market standards, which will take effect on the next expiration date of the lease agreements. No rent reductions or index caps were granted. The occupancy rate remained at a high level, 98.08%, and lease renewals continue without interruptions.

The proceeds of the June 2022 capital increase were used to acquire the non-food part of a retail park in Venlo (the Netherlands), with an investment of € 34.44 million. Another major investment made in cooperation with a Dutch partner concerns the acquisition of 17 retail properties in home decoration mall Alexandrium in Rotterdam (the Netherlands) for an amount of € 26.03 million. These investments yield € 5.26 million in rent on an annual basis.

Our targets relating to sustainability investments in line with our ESG strategy were exceeded by far. These investments, including photovoltaic installations, insulation and high-performance glazing, are made in cooperation with our tenants on a "win-win" basis with a view to increasing the sustainable rentability and value retention of our retail properties.

In the past financial year, the resilience of our retail real estate segment was reflected in an increase in rental income to € 125.86 million and an EPRA result[1] of € 88.20 million. The qualification of the favourable FBI (fiscal investment institution) status in the Netherlands after years of procedures has had a positive impact in the form of a non-recurring result of € 7.7 million relating to previous financial years. It contributed to an increase of the EPRA earnings per share to € 6.34 versus € 5.84 in the previous financial year.

The value of our real estate investments, at constant composition, increased during the past financial year by € 56.6 million, or 3.22%. This increase represents the positive balance of a series of corrections that can be explained partly by the increase in rents and partly by higher sales prices. The most significant value increases were observed in the Netherlands. A limited number of individual retail properties were sold with a gain of € 0.14 million compared to the fair value.

[1] EPRA earnings are calculated as follows: net result excluding changes in the fair value of investment properties, excluding the result on the disposal of investment properties, excluding changes in the fair value of financial assets and liabilities and excluding minority interests relating to the aforementioned elements.

As was the case in the previous financial years, a lot of attention was paid to the extension of the current bank financing and the hedging of the interest rate risks. The shareholders' equity was strengthened with a € 54.15 million capital increase in June 2022 and the incorporation of extraordinary profits into the reserves. As a result, the debt ratio decreased from 49.15% on 31 March 2022 to 44.77% on 31 March 2023. Retail Estates retains an important investment capacity within the context of the targeted maximum debt ratio of 50%.

Rental income increased up to € 125.86 million (+€ 10.08 million) mainly as a result of indexation and acquisitions made during the past financial year.

The investment properties (including non-current assets under construction) increased from € 1,759.88 million to € 1,888.56 million. This can mainly be explained by the expansion of the portfolio by € 60,78 million, investments in the existing portfolio amounting to € 17.14 million, the sale of investment properties for an amount of € 9.66 million and a positive revaluation of the existing real estate portfolio for an amount of € 55.92 million.

On 26 May 2023 the Board of Directors of Retail Estates decided to distribute an interim dividend in the form of an optional dividend, for the financial year 2022-2023 (which started on 1 April 2022 and ended on 31 March 2023) amounting to € 4.90 (€ 3.43 net, i.e. the net dividend per share after deduction of withholding tax at a rate of 30%) per share (participating in the profits of financial year 2022-2023).

Taking into account the obligation of Retail Estates as a public BE-REIT to pay out dividends pursuant to article 13 of the Royal Decree of 13 July 2014 on regulated real estate companies, the Board of Directors will propose to the annual general meeting of 24 July 2023 to not pay any additional dividend for the financial year 2022-2023.

2. OPERATIONAL ACTIVITIES

2.1. INVESTMENTS

Investments

Acquisition of "Tref Center Venlo"

On 4 July 2022, Retail Estates invested € 34.44 million in the acquisition of a 90% interest in retail park Tref Center in Venlo (the Netherlands - province of Limburg). The investment took place in cooperation with the Dutch real estate investor Westpoort Vastgoed, which acquired a 10% interest in the same transaction. The share of Retail Estates in the transaction amounts to € 34.44 million and generates a rental income of € 2.52 million, representing an initial yield of approximately 7%. According to real estate expert Cushman & Wakefield, the investment value of Retail Estates' share equals to € 35.5 million and the fair value amounts to € 32.83 million.

The retail park Tref Center has been developed around Tref Box, a hypermarket that is not included in the transaction. It is a combination of food and non-food retailers that is rarely seen in the Netherlands but is quite common in the United Kingdom. The park comprises 19 retail properties with a total surface area of 31,295 m^2 and a petrol station. The main tenants include Lidl, Pets Place, Basic Fit, KFC, Leen Bakker, Jysk, Bever Sport (AS Adventure) and Beter Bed. The retail park has been widely known in the Venlo region for over 50 years and has a customer zone extending from Venlo (100,000 inhabitants) to across the German border. Venlo is the second largest city of the province of Limburg, after Maastricht. Retail Estates already invested in this region in the past, in particular in Maastricht and in Heerlen.

Acquisition of "Home decoration mall Alexandrium"

The home decoration mall Alexandrium (Alexandrium III) features 55 home decoration retail units spread over a surface area of approximately 60,000 m^2 and it includes 900 roof parking spaces. The location can be reached perfectly by car as well as by train, the underground railway and by bus from the city of Rotterdam and the surrounding area. Since its construction the complex has become a supraregional shopping destination for furniture and interior decoration articles in the broadest sense, in one of the most attractive shopping areas in the Netherlands with 650,000 inhabitants.

The home decoration mall Alexandrium was opened in 1997 and sold at that time to various private investors and (shop) owners. The structural connection between the home decoration mall Alexandrium, the regional Shopping Center Alexandrium (Alexandrium I – owned by Klépierre) and the retail park Alexandrium Megastores (Alexandrium II – owned by CBREGI) creates a very complementary mix and a retail offer that is exceptional for the Netherlands, with a total of 200 retail units over a surface area of 110,000 m^2. All shops are open 7 days a week, and Alexandrium attracts 15 million visitors each year. In terms of the number of visitors, Alexandrium III is one of the locations where the current tenants in general have their top performing retail units in the Netherlands. Virtually 100% of the home decoration mall are currently let.

The retail units acquired by Retail Estates via its 50% subsidiary under Dutch law, Alex Invest N.V., are let to tenants the majority of whom are already part of the company's existing Dutch portfolio of 14 retail parks. In its urban planning the city of Rotterdam has aimed at a maximum efficiency at this location by opting for a covered 3-floor home decoration shopping center. This acquisition is therefore perfectly in line with the policy and location preferences of Retail Estates.

Late December 2022, 13 retail properties with a total retail area of 19,951 m^2 were acquired for an amount of € 22.35 million. These retail properties yield an annual rental income of € 2.25 million.

At the end of March, additional investments were made in the same home decoration mall for a total amount of € 4.1 million. This acquisition yields an annual rental income of € 0.49 million.

On the date of the acquisition, the investment was below the fair value estimated by the real estate expert CBRE. As a result of these acquisitions, Retail Estates controls approximately 37% of the retail area of the home decoration mall Alexandrium III.

Cooperation with Westpoort Alexandrium B.V.

These properties were purchased by Alex Invest N.V., a company under Dutch law. The investment is funded by loans granted by Retail Estates (60%) and a capital injection by Retail Estates and its partner Westpoort Alexandrium B.V. (40%).

Westpoort Alexandrium B.V. is controlled by the Roobol family, who has acquired a 50 % participating interest in N.V. Alex Invest via a € 6 million capital increase.

With this acquisition, both specialised retail real estate investors have joined forces in order to consolidate the ownership structure of the home decoration mall Alexandrium. By combining their expertise in retail as well as real estate, the new owners have the unique knowhow to ensure the lasting success of the home decoration mall and guarantee further growth, together with the other owners and retailers. Two strong partners also make it possible to better control the shopping center's future development, including with respect to ESG objectives or criteria.

Non-current assets under construction

On 31 March 2023 the total amount of the non-current assets under construction is € 16.33 million. We distinguish five types of non-current assets under construction: speculative land positions (the so-called "land bank", i.e. residual lands of existing portfolios that are intended for possible development or will be sold at a later stage if no development is possible); prospective projects, projects under predevelopment, projects under development and projects specifically linked to sustainability.

On 31 March 2023, the speculative land positions represented € 0.94 million, the prospective projects represented € 8.76 million, the projects under predevelopment represented € 2.02 million, the projects under development represented € 3.56 million and the projects specifically linked to sustainability represented € 1.06 million.

A. Non-current assets under construction - prospection

In 2014, Retail Estates acquired the retail park in **Wetteren** with 14 retail units and a gross retail area of 10,423 m². The retail park, which opened in 2008, is known as Frunpark Wetteren. It is very successful and attracts consumers from far and wide. In 2016, Retail Estates acquired, by way of speculation, an adjacent plot of land with two SME properties (investment of approx. € 9 million), which are currently let. According to the Spatial Implementation Plan, a permit can in principle be obtained for retail properties destined for large-scale retail as well as for SME properties.

The original plans, according to which the adjacent plots of land would be entirely developed as a retail area, were not accepted. The expenses incurred for the already completed procedures, amounting to € 0.45 million, were accounted for into the results. Retail Estates negotiated a partnership with an SME developer with a view to a mixed development of the site: partly as an SME area and partly as a retail area. The extension of the retail area will cover a surface area of 5,000 m². The investment in this extension will amount to € 4.75 million. The permit is expected by late 2023, completion of the works by the end of 2024.

B. Non-current assets under construction – predevelopment - overview of the main projects

- In **Munkzwalm**, an existing site will be redeveloped with 4 retail units and 4 SME units. The expected investment will amount to € 6.70 million. Retail Estates expects to submit the environmental permit during the summer of 2023.
- In **Eupen**, an existing retail property will be demolished and reconstructed to accommodate a new retail unit and 5 SME units. The investment is expected to amount to € 1.1 million (only the construction of the retail property will be realised by Retail Estates). Completion of the works is expected by April 2024.
- In **Denderleeuw**, a study is ongoing for the demolition and reconstruction of an existing site. The investment is estimated to amount to € 3.14 million.

C. Non-current assets under construction – development – overview of the main own developments

- In **Wilrijk**, part of the existing site will be extended by 1 retail unit and 3 SME units. The expected additional investment will amount to € 4.4 million. Completion of the works is expected by late 2023.

- In **Houthalen**, a retail property was demolished and an agreement was entered into with a building promotor for the demolition and the redevelopment of the site into flats with a retail property on the ground floor, enabling Retail Estates to still have the same retail area. The expected net investment amounts to € 0.32 million. The completion of the project is expected in March 2024.

D. Non-current assets under construction linked to sustainability

Within the context of the ESG strategy, Retail Estates has a separate category for sustainable non-current assets under construction. In 2022-2023, a total of € 2.5 million was invested in the installation of solar panels on the roofs of several retail properties. At the end of the 2022-2023 financial year, 60 rental units were equipped with an operational photovoltaic installation. The total production capacity of all installations of Retail Estates can cover the energy demand of 472 families [2].

In Belgium, Retail Estates is currently equipping its retail parks in Merksem, Brugge and Eeklo with new photovoltaic installations. These installations will be operational in the course of the year 2023. More studies are being conducted and negotiations with the tenants are ongoing for several other locations. In the Netherlands, solar panels were installed in Roosendaal in the past financial year.

E. Completion of non-current assets under construction

- In **Halle**, the existing retail area was extended. This project required the construction of a number of apartment buildings. As this is a matter outside the scope of Retail Estates, a cooperation with a property developer was negotiated, who developed this part of the project. The total investment in the extension of the retail area amounted to € 1.46.
- In **Gilly**, the renovation of 2 retail units was completed (Kruidvat and Wibra). The total investment amounted to € 0.7 million.

[2] On the basis of an average annual consumption of 4MWh.

Optimisation of real estate portfolio

Retail Estates pays close attention to the changing needs of its tenants with respect to retail area. Several tenants systematically expand their product range and regularly request an extension of their retail area. This can be done by acquiring space from adjacent tenants who sometimes have too much space or by building an extension to the retail unit. Sometimes a combination of both is opted for.

Renovations sometimes include more than just an expansion of the retail area. Retail Estates regularly seizes the opportunity to remove an existing shop facade and replace it with a contemporary version that better fits the tenant's image.

Such investments allow us to build "win-win" relations with the tenants. During the past financial year the reorganisation-renovation of the retail properties in Gilly, Sint-Eloois-Vijve, Hognoul and Braine l'Alleud was completed.

In the retail park in Heerlen, the facade is in the process of modernisation. The total expected investment is estimated at € 6.3 million and will be executed in the course of the 2022-2023 and 2023-2024 financial years.

Divestments

In the course of the past financial year three individual retail properties were sold. The net sales revenue amounted to € 9.80 million. The fair value of these properties was € 9.66 million. The rental income of these properties amounted to 0.06 million. These sales generated € 0.14 million in net added value.

Furthermore, the first phase of the Keerdok site was sold in March 2023. The local government repurposed this site for the construction of apartment buildings following the approval of the Spatial Implementation Plan Rode Kruisplein. Four out of the seven tenants have moved to the new retail park Malinas and three others closed their shop. Retail Estates has concluded a framework agreement with two real estate developers with respect to the phased sale of its retail properties (in part) by the end of June 2024. The transaction is subject to conditions precedent that are to be met by the end of February 2024. The first phase that was sold in March 2023 and generated a sales revenue of € 3.75 million. The second phase represents a value of € 7.42 million.

These divestments are part of an annual recurring sales programme of (individual) retail properties that are not part of the core portfolio of Retail Estates due to their location, size and/or commercial activity.

Investments: conclusion

The acquisition and completion of own developments in the 2022-2023 financial year, less divestments, resulted in an increase of the real estate portfolio by € 53.72 million. The total rental income increased by € 2.51 million in financial year 2022-2023 as a result of these investments and decreased by € 0.21 million in the past financial year as a result of the divestments. If the acquisitions and sales had taken place on 1 April 2022, the rental income would have increased by € 5.95 million.

The investments are financed by a mix of shareholders' equity (issue of new shares by non-monetary or monetary contributions) and borrowed capital (financing of working capital by the banks, issue of a bond loan, …).

2.2. Management of the real estate portfolio

Occupancy rate

On 31 March 2023, the occupancy rate was 98.08% of the total retail area of the properties included in the real estate portfolio. Obviously, the occupancy rate must be seen as a snapshot taken of a series of mutations in the previous financial year.

It does not imply a guarantee for the future, as the Belgian and Dutch legislation on commercial lease is mandatory and allows for cancellation every three years in Belgium and every five years in the Netherlands.

Rental income

On 31 March 2023, the net rental income amounts to € 125.40 million, an increase by € 9.82 million compared to the same period of the last financial year. The increase is driven by the indexation of the rents, which had a total impact of € 6.93 million. In Belgium, the indexation rate was 9% on average over the past financial year. In the Netherlands, the indexation was applied at a slower place and was 11% on average in the 2nd half of the financial year.

Outstanding trade receivables, after deduction of doubtful debtors and advance payments, amount to € 9.89 million, of which € 0.20 million relate to the revolving fund and the reserve fund and of which € 9.01 million have not yet reached their maturity date. Taking into account the guarantees obtained - both rental guarantees and bank guarantees - the credit risk on trade receivables is very limited on 31 March 2023. The increase of trade receivables (€ +8,78 million compared to the previous financial year) is due to the implementation of the new integrated technology solution that enables Retail Estates to prebill in both countries. This results in a total outstanding prebilling balance of € 9.12 million on 31 March 2023.

Damage claims

In the course of the past financial year one retail property in Liège was severely damaged by a fire. The damage was covered by the insurance company. In Beringen, the roof of a retail property was damaged by a whirlwind in the course of the past financial year. The case is still pending with the insurance company. The required financial provisions were accounted for as per 31 March 2023.

Capital increases in the context of the authorised capital

On 10 June 2022, Retail Estates made use of the possibility to issue shares (through accelerated bookbuilding procedure) for the first time. Retail Estates successfully proceeded to the offering of 859,375 new shares via accelerated private placement with composition of an order book (accelerated bookbuild) and the capital and the distributable issue premium account were increased by € 53,846,272 (after deduction of the costs of capital increase). As a result of this capital increase, 859,375 shares were issued, bringing the total number of shares on 31 March 2023 to 14,085,827, the capital (after deduction of the costs of capital increase) to € 308,515,272 and the distributable issue premium account to € 58,899,000.

Implementation of the financing strategy

Retail Estates combines bilateral credits with different banking partners and private placements of bonds with institutional investors. The average maturity of the credit portfolio is 3.66 years. Within the context of the financing of its activities, Retail Estates has had a commercial paper programme of (up to) € 100 million since September 2017 (and extended in October 2018). The commercial paper is fully covered by back-up lines and unused credit lines that serve as a guarantee for refinancing should the placement or renewal of the commercial paper prove to be impossible or only partially possible.

As of 31 March 2023, an amount of € 50 million of this commercial paper programme has been drawn.

The average interest rate on 31 March 2023 is 2.06% compared to 1.95% on 31 March 2022. The level to which Retail Estates can finance itself significantly impacts its profitability. Real estate investments generally entail a relatively high level of debt financing. To limit this risk in an optimal way, Retail Estates applies a cautious and conservative strategy. As a result, an interest rate increase does not have a substantial impact on the total result in the financial year ending on 31 March 2023. Interest rate increases or decreases nevertheless have an impact on the market value of the concluded IRS contracts and thus on shareholders' equity and changes in the fair value of financial assets and liabilities.

Retail Estates opts for a growth model with a direct contribution of earnings per share. This can be done both on the capital side and on the debt financing side. On the capital side, this can be done through a non-monetary contribution, a traditional rights issue or via the option for BE-REITs recently introduced in the BE-REIT Act to implement a capital increase through an accelerated bookbuilding procedure (ABB). Since the publication of the amendment to the articles of association of 23 December 2019, Retail Estates has had the possibility to make use of the accelerated bookbuilding procedure. The authorised capital authorisation was renewed at the extraordinary general meeting of 1 June 2022.

On the debt financing side, this can be done through traditional bank financing on the one hand or a public and/or private bond loan on the other. Retail Estates regularly examines the possibility of a private and/or public bond loan.

FBI status of Dutch companies

In January 2023 the Dutch tax authorities processed the last objections that were still pending for all companies in the Netherlands controlled by Retail Estates (with the sole exception of Retail Estates Middelburg Invest N.V.) and systematically granted the FBI status for all financial years up to and including 2021. In this context an exemption from the corporate tax and withholding taxes paid earlier has been granted. The net result of these decisions amounts to € 8.39 million (of which € 7.7 million relate to the previous financial years) in the results on 31 March 2023. For the financial year ending on 31 March 2023, the FBI status applies to all Dutch companies (with the exception of Alex Invest N.V., which does not qualify for this status). The estimated annual corporate tax cost for the 2022-2023 financial year amounted to € 3.63 million. Following the FBI qualification (according to which a dividend tax rate of 5% applies), the tax cost has been reduced to € 1.05 million, i.e. the dividend tax.

Merger by acquisition of subsidiaries

No mergers by acquisition of subsidiaries have taken place in the past financial year.

2.3. Events after the balance sheet date

Interim dividend in the form of an optional dividend

On 26 May 2023 the Board of Directors of Retail Estates decided to distribute, in the form of an optional dividend, a gross interim dividend for financial year 2022-2023 (which started on 1 April 2022 and ended on 31 March 2023) amounting to € 4.90 (€ 3.43 net, i.e. the net dividend per share after deduction of withholding tax[3] at a rate of 30%) per share (participating in the profits of financial year 2022-2023).

In the context of its decision to distribute an interim dividend to the shareholders, the Board of Directors offers the shareholders the possibility to contribute the amount of their claims arising from the distribution of the interim dividend to the capital of the Company in return for the issue of new shares (in addition to the option to receive the interim dividend in cash and the option to opt for a combination of the two preceding options). The new shares issued within the context of this capital increase will participate in the profits as from 1 April 2023.

Taking into account the obligation of Retail Estates as a public REIT to pay out dividends pursuant to article 13 of the Royal Decree of 13 July 2014 on regulated real estate investment companies, the Board of Directors will propose to the annual general meeting of 24 July 2023 not to pay any additional dividend for the financial year 2022-2023.

The contribution in kind of claims against Retail Estates in the context of the optional interim dividend and the associated capital increase improve the equity of the company and therefore reduce its (legally capped) debt ratio.

This opens up the possibility for Retail Estates to perform additional debt-financed transactions in the future in order to further realise its growth strategy. The optional interim dividend also makes it possible to retain funds in the Company (in line with the net dividend rights contributed to the company's capital), which in turn reinforces the company's financial position. In addition, it strengthens the ties with the shareholders.

Retail Estates intends to invest a maximum of 80 million euro in existing retail properties in Belgium and/or the Netherlands in the course of the current financial year. The company has identified a diverse range of investment opportunities in Belgium and the Netherlands at various stages of a normal investment process. These opportunities can give rise to a maximum investment of 80 million euro through one or several transactions. The initial yield of these investment opportunities will not be less than 6% and the debt ratio will not increase by more than 3% as a result of these investments.

The final issue price of the new shares that will be issued within the context of the optional dividend will be determined by the company's board of directors at a later time. The same applies to the option period during which the entitled shareholders express their choice to either contribute the amount of their claim against the issue of new shares or to have the interim dividend paid out in cash, or to have a combination of both these options.

On 26 May 2023 the board of directors already determined that the issue price of the new shares will not be lower than € 54.88 and that the option period will end at the latest on 14 July 2023, after which the date for the capital increase and the issue of new shares will be set at the latest at 19 July 2023.

The coupon granting entitlement to the interim dividend is coupon No. 31. The Retail Estates share will be listed including coupon No. 31 until 30 May 2023. As from 31 May 2023, the Retail Estates share will be

[3] In the information memorandum relating to the interim optional dividend, which will be published on the company's website at a later point in time (see below), some explanation will be given as to this fiscal treatment, by way of information only.

listed excluding coupon No. 31. On the basis of the final issue price the board of directors will determine how many coupons No. 31 (representing the net dividend rights) must be contributed in order to subscribe for one new share. Shareholders who do not hold the required number of net dividend rights, represented by No. 31 coupons, linked to shares of the same form in order to subscribe for at least one share, will receive their dividend rights in cash. It is not possible to acquire additional No. 31 coupons, and it will be impossible to acquire any more shares with coupon No. 31 attached as from 31 May 2023. Consequently, the No. 31 coupon will not be admitted to trading on the stock exchange.

At the latest at the start of the option period, Retail Estates will disclose the conditions and modalities of the interim optional dividend, including the final issue price and the option period, in a press release and post an information memorandum on its website, which will contain more information about (the conditions and modalities of) the interim optional dividend.

The shareholders will be able to consult the report of the board or directors and the statutory auditor's report relating to the optional dividend on the website of Retail Estates.

3. FINANCIAL RESULTS

3.1 Notes to the income statement of 31 march 2023

The net rental income has increased by € 9.82 million, mainly due to the indexation of the rents (€ 6.93 million). The increase in the net rental income can also be explained by the acquisition of additional properties and the completion of projects in the 2022-2023 financial year (€ +2.51 million), and the acquisition of the properties and the completion of the projects in the previous financial year that yielded a full year's rent for the first time this year (€ 1.61 million). The sale of properties in the 2022-2023 financial year resulted in a decrease in net rental income by € 0.21 million. The sale of properties during the previous financial year resulted in a decrease in this year's net rental income by € 1.21 million. The impact of contract renewals amounts to € 0.51 million. Furthermore, there is a limited impact of discounts, vacancy and other factors (€ -0.18 million).

The property costs amount to € 15.33 million compared to € 10.52 million in the previous year, an increase by € 4.81 million which can mainly be explained by the increase in technical and management costs by € 2.66 million and € 1.54 million respectively. The increase in the technical costs can mainly be explained by the expenditure within the scope of the sustainability strategy (making buildings more energy efficient). Expenses in addition to the recurring technical costs amounted to € 1.2 million in the past financial year. As a result of the additional (non-recurring) income related to the FBI qualification in the Netherlands, there was room for this additional expenditure. The increase is also due to the increased cost of building materials. For the next financial year, the expenses relating to the ESG initiatives will again be in line with the strategic ESG plan.

The increase in the management costs can partially be explained by the investment in a new integrated technology system (S/4HANA), resulting in additional IT costs.

The company's operating costs amount to € 7.10 million, an increase compared to last year driven by the investments in a new integrated technology system (S/4HANA), as mentioned above.

The result of the sale of investment properties amounts to € 0.14 million. This profit is the result of the sale of € 9.66 million in properties (fair value).

The variation in the fair value of investment properties equals to € 55.92 million. The main effects of this variation are a positive effect of the revaluation of the existing portfolio (€ +143.95 million), a decrease in vacancy (€ +9.16 million) and a negative effect as a result of the write-off of transaction costs to account for the fair value of the acquired investment properties during the year and the increase of the real estate transfer tax in the Netherlands from 8% to 10.4% (€ -22.27 million), and the impact of investments in the course of the past financial year (€ -74.93 million). The other portfolio result amounts to € -4.60 million and is mainly related to deferred taxes relating to the Dutch portfolio.

The financial result (excluding variations in the fair value of financial assets and liabilities) amounts to € -18.92 million compared to € -18.32 million last year. This evolution is mainly driven by an increase in the weighted average interest rate from 1.95% to 2.06%, offset by a lower average drawn amount of borrowings. The variation in the fair value of financial assets and liabilities amounts to € 41.65 million compared to € 34.48 million last year. The evolution of these costs is the result of the change in the fair values of the swaps that are not defined as a cash flow hedge (variations in the fair value of financial assets and liabilities). However, this result is an unrealised and non-cash item.

The above-mentioned exemption from corporate tax for the Dutch financial years up to and including 2021 has an impact of € 8.39 million on the net result of the current financial year (with € 7.7 million relating to the previous financial years). For the financial year ending on 31 March 2023, the FBI status applies to all Dutch companies (with the exception of Alex Invest N.V., which does not qualify for this regime). The estimated annual corporate tax cost for the 2022-2023 financial year amounted to € 3.63 million. Following the FBI qualification in the Netherlands (according to which a dividend tax rate of 5% applies), the tax cost has been reduced to € 1.05 million, i.e. the dividend tax.

EPRA earnings amount to € 88.20 million compared to € 75.27 million last year. The FBI qualification in the Netherlands leads to a structural increase of the EPRA earnings as a result of the exemption from local corporate tax. This led to an increase of the dividend prognosis for the financial year 2022-2023 from € 4.7 to € 4.9.

3.2 Notes to the balance sheet of 31 march 2023

The investment properties (including non-current assets under construction) increased from € 1,759.88 million to € 1,888.56 million. This can mainly be explained by the expansion of the portfolio by € 77.20 million, the sale of investment properties for an amount of € 5.83 million and a positive revaluation of the existing real estate portfolio for an amount of € 56.04 million. The non-current assets held for sale decreased from € 11.81 million to € 8.57 million. At the end of each quarter, the assets for which the sales agreement has already been signed but the deed has not yet been executed are recognized in assets held for sale. Assets worth € 0.72 million were added to the assets held for sale during the financial year 2022-2023, assets worth € 3.84 million were sold and there was a variation in fair value for an amount of € -0.13 million.

The intangible non-current assets amount to € 6.19 million and mainly consist of the investments in an integrated technology system (S/4HANA). The financial non-current assets amounting to € 62.06 million mainly consist of € 55.32 million related to the fair value of financial instruments and € 5.00 million receivable from the joint venture Veilinghof 't Sas nv. The participating interest of 26.19% in Veilinghof 't Sas nv is valued at an amount of € 1.74 million based on the equity method consolidation principle.

Current assets amount to € 29.02 million and consist of € 8.56 million assets held for sale, € 11.44 million trade receivables, € 1.80 million tax receivables and other current assets, € 4.13 million cash and cash equivalents and € 3.09 million accrued charges and deferred income.

The shareholders' equity of the public BE-REIT amounts to € 1,104.06 million, of which € 1,097.25 million are attributable to the group. On 31 March 2023, the capital amounts to € 308.52 million, an increase by € 19.34 million compared to last year as a result of the capital increase mentioned above. After deduction of the capital increase costs, the capital on the balance sheet amounts to € 308.52 million.

During the 2022-2023 financial year, 859,375 new shares were created. The issue premiums amount to € 374.31, an increase by € 34.51 million compared to last year as a result of the capital increase mentioned above. Since the 2020-2021 financial year the issue premiums resulting from capital increases are recognized in the distributable issue premiums. Reserves amount to € 233.80 million and consist of the reserve for the variations in the fair value of investment properties (€ 189.87 million), the reserve for the variations in the fair value of financial assets and liabilities (€ 13.52 million), the result of previous financial years carried forward (€ 96.35 million), the available reserves (€ 6.56 million) and the legal reserves (€ 0.09 million). The reserves are decreased by the impact on the fair value of estimated transfer rights and costs resulting from the hypothetical disposal of investment properties (€ 72.58 million). The group uses financial derivatives (interest rate swaps and caps) to hedge interest rate risks arising from certain operational, financial and investment activities. Financial derivatives are initially recognised at cost and revalued to their fair value on a quarterly basis. The derivatives currently used by Retail Estates only qualify as accounting cash flow hedges to a limited extent. Changes in the fair value of the derivatives that do not qualify as cash flow hedges are recognized directly in the income statement. Changes in the fair value of the swaps qualifying as cash flow hedges are booked directly as shareholders' equity and are not included in the income statement. The revaluation of the derivatives in the result amounts to € 41.65 million on 31 March 2023 and is positive as a result of an increase of the long-term interest rate.

The net result of the financial year amounts to € 181.44 million, of which € 180.62 million attributable to the shareholders of the Group, and consists of € 88.20 million EPRA earnings (group share), € 51.46 million from the result on portfolio, € 41.65 million from variations in the fair value of financial assets and liabilities and € 0.13 million from EPRA earnings attributable to minority interests.

The long-term liabilities amount to € 793.92 million and consist of € 790.24 million long-term financial liabilities with an average duration of 3.66 years. The remaining long-term liabilities relate to deferred taxes.

The short-term liabilities amount to € 95.38 million and consist of € 24.41 million trade debts and other short-term liabilities. These mainly comprise the trade debts amounting to € 0.25 million, tax debts estimated at € 3.73 million, invoices receivable for € 19.39 million and exit taxes amounting to € 0.39 million. The short-term financial liabilities amount to € 51.46 million, of which € 50 million is related to commercial papers.

Other short-term liabilities have decreased from € 1.77 million to € 1.61 million and mainly consist of guarantees received.

On 31 March 2023, the weighted average interest rate is 2.06%.

4. OUTLOOK

Retail Estates expects for the 2023-2024 financial year, based on the planned composition of the real estate portfolio and barring unforeseen events, the net rental income to amount to € 137 million. This figure only takes into account acquisitions and sales for which a sales contract was signed and investments that were tendered and for which the required permits were obtained.

The energy crisis that impacted consumer confidence and the profitability of the retailers during the past financial year is currently almost over. However, the retail sector and the food sector in particular is faced with persistently high inflation. In Belgium, wage indexation largely compensated for the loss of purchasing power, but in the Netherlands, the loss of purchasing power was only partly compensated by indexation.

Retail Estates aims at a gross dividend of € 5 (€ 3.50 net) for the 2023-2024 financial year. This would represent an increase by 2% compared to the dividend for the 2022-2023 financial year (€ 4.90 gross).

5. FINANCIAL CALENDAR

Shareholder agenda:

Publication Annual report 2022-2023	16 June 2023
General Assembly	24 July 2023
Ex-dividend date	31 May 2023
Record date dividend	1 June 2023
Dividend made available for payment	To be determined by the board of directors at a later date
Announcement half-yearly results	20 November 2023

Key figures

APPENDIX

1.A. CONSOLIDATED INCOME STATEMENT:

INCOME STATEMENT *(in € 000)*	31.03.2023	31.03.2022
Rental income	125 856	115 773
Rental related expenses	-455	-194
Net rental income	**125 401**	**115 579**
Recovery of property expenses		
Recovery of rental charges and taxes normally payable by tenants on let properties	13 006	11 963
Rental charges and taxes normally payable by tenants on let properties	-14 922	-13 953
Other rental related income and expenses	-2	-86
Property result	**123 482**	**113 504**
Technical costs	-7 691	-5 032
Commercial costs	-1 828	-1 027
Charges and taxes on unlet properties	-641	-427
Property management costs	-5 166	-3 629
Other property costs	-6	-410
Property costs	**-15 332**	**-10 524**
Operating property result	**108 150**	**102 980**
Operating corporate costs	-7 097	-6 050
Other current operating income and expenses		
Operating result before result on portfolio	**101 053**	**96 930**
Result on disposals of investment properties	139	334
Result on sales of other non-financial assets	0	
Changes in fair value of investment properties	55 917	23 083
Other result on portfolio	-4 596	-1 321
Operating result	**152 513**	**119 026**
Financial income	169	248
Net interest charges	-19 032	-18 485
Changes in the fair value of financial assets and liabilities	41 645	34 476
Other financial charges	-60	-81

INCOME STATEMENT *(in € 000)*	**31.03.2023**	**31.03.2022**
Financial result	**22 723**	**16 158**
Share in the result of associated companies and joint ventures	1	-10
Result before taxes	**175 238**	**135 174**
Taxes	6 199	-3 337
Net result	**181 436**	**131 837**
Attributable to:		
Shareholders of the Group	180 621	131 837
Minority interests	815	
Note:		
EPRA earnings (share Group)[1]	**88 203**	**75 265**
Result on portfolio	51 460	22 096
Changes in fair value of financial assets and liabilities	41 645	34 476
EPRA result minorities	127	

RESULT PER SHARE	**31.03.2023**	**31.03.2022**
Number of ordinary shares in circulation	14 085 827	13 226 452
Weighted average number of shares	13 909 243	12 893 111
Net profit per ordinary share (in €) - share of the Group[2]	12.99	10.23
Diluted net profit per share (in €) - share of the Group	12.99	10.23

[1] The EPRA earnings are calculated as following: net result excluding changes in fair value of investment properties, exclusive the result on disposal of investment properties, exclusive changes in fair value of financial assets and liabilities and exclusive minority interests related to the aforementioned elements.

[2] The net profit per ordinary share is calculated as following: the net result divided by the weighted average number of shares.

1.B. STATEMENT OF OTHER COMPREHENSIVE INCOME:

Statement of the comprehensive result *(in € 000)*	**31.03.2023**	**31.03.2022**
Net result	181 436	131 837
Other components of the comprehensive result, recyclable in income statements:		
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties		
Changes in the fair value of authorised hedging instruments qualifying for hedge accounting as defined by IFRS	2 644	2 074
COMPREHENSIVE RESULT	**184 080**	133 911

2. CONSOLIDATED BALANCE SHEET:

ASSETS *(in € 000)*	31.03.2023	31.03.2022
Non-current assets	**1 964 347**	**1 792 078**
Goodwill		
Intangible non-current assets	6 192	4 030
Investment properties[3]	1 888 562	1 759 879
Other tangible non-current assets	6 339	6 440
Financial non-current assets	62 056	17 860
Financial instruments	55 315	11 120
Participations accounted for using the equity method	1 741	1 740
Receivables towards participations accounted for using the equity method	5 000	5 000
Finance lease receivables	1 030	1 030
Trade receivables and other non-current assets	167	2 839
Deferred taxes	141	1 402
Other	27	1 437
Current assets	**29 019**	**20 151**
Assets or groups of assets held for sale	8 561	11 807
Trade receivables	11 442	2 067
Tax receivables and other current assets	1 803	2 132
Cash and cash equivalents	4 128	1 483
Deferred charges and accrued income	3 085	2 663
TOTAL ASSETS	**1 993 365**	**1 812 228**

[3] Including non-current assets under construction (IAS 40).

SHAREHOLDERS' EQUITY AND LIABILITIES *(in € 000)*	31.03.2023	31.03.2022
Shareholders' equity	**1 104 064**	**920 980**
Shareholders' equity attributable to the shareholders of the parent company	**1 097 249**	**920 980**
Capital	308 515	289 179
Issue premiums	374 308	339 798
Reserves	233 804	160 166
Net result of the financial year	180 621	131 837
Minority interests	**6 815**	
Liabilities	**889 301**	**891 248**
Non-current liabilities	793 923	764 789
Provisions		
Non-current financial debts	790 238	763 982
Credit institutions	609 967	584 594
Long term financial lease	4 871	4 159
Bonds	175 400	175 229
Other non-current financial liabilities	0	0
Deferred taxes	3 684	807
Current liabilities	95 379	126 459
Current financial debts	51 464	101 730
Credit institutions	51 464	101 730
Bonds	0	0
Short term financial lease	0	0
Trade debts and other current debts	24 409	17 787
Exit tax	391	391
Other	24 018	17 396
Other current liabilities	1 612	1 771
Accrued charges and deferred income	17 895	5 171
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1 993 365**	**1 812 228**

DEBT RATIO	31.03.2023	31.03.2022
Debt ratio[1]	44,77%	49,15%

[1] The debt ratio is calculated as follows: liabilities (excluding provisions, accrued charges and deferred income, financial instruments and deferred taxes), divided by the total assets (excluding hedging instruments).

ALTERNATIVE PERFORMANCE BENCHMARKS

Alternative performance benchmark	Definition	Purpose
Operating margin	The 'Operating result before result of the portfolio' divided by the 'Net rental income'.	Allows measuring the operational performance of the company.
Financial result (excluding changes in fair value of financial assets and liabilities).	The "Financial result" minus the "Changes in fair value of financial assets and liabilities"	Allows to make a distinction between the realised and the unrealised financial result.
Result on portfolio	The "Result on portfolio" consists of the following items: "Result on disposals of investment properties"; "Result on sales of other non-financial assets"; "Changes in fair value of investment properties"; and "Other result on portfolio".	Allows to measure realised and unrealised gains and losses related to the portfolio, compared to the last valuation by independent real estate experts.
Weighted average interest rate	The interest charges (including the credit margin and the cost of the hedging instruments) divided by the weighted average financial debt of the current period.	Allows to measure the average interest charges of the company.
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments	Shareholders' equity attributable to the shareholders of the Group (excluding the impact on the fair value of estimated transaction costs resulting from the hypothetical disposal of investment properties, excluding the fair value of authorised hedging instruments, excluding minority interests related to the aforementioned elements and excluding dividend) divided by the number of shares.	Reflects the net asset value per share adjusting for some material IFRS adjustments
Gross yield	The gross yield represents the ratio of the current rental income (net and after deduction of taxes) to the estimated value of the portfolio (i.e. without non-current assets under construction).	This key figure represents the relationship between two of the most important parameters of the company and makes it possible to make a comparison over the years and between different companies.

RECONCILIATION TABLES

Operating margin

in 000 €	31.03.2023	31.03.2022
Operating result before result on portfolio (A)	101 053	96 930
Net rental income (B)	125 401	115 579
Operating margin (A/B)	**80,58%**	**83,86%**

Financial result (excluding changes in fair value of financial assets and liabilities)

in 000 €	31.03.2023	31.03.2022
Financial result (A)	22 723	16 158
Changes in fair value of financial assets and liabilities (B)	41 645	34 476
Financial result (excluding changes in fair value of financial assets and liabilities) (A-B)	**-18 922**	**-18 318**

Result on portfolio

in 000 €	31.03.2023	31.03.2022
Result on disposals of investment properties (A)	139	334
Result on sales of other non-financial assets (B)	0	0
Changes in fair value of investment properties (C)	55 917	23 083
Other result on portfolio (D)	-4 596	-1 321
Result on portfolio (A+B+C+D)	**51 460**	**22 096**

Weighted average interest rate

in 000 €	31.03.2023	31.03.2022
Net interest charges (including the credit margin and the cost of the hedging instruments) (A)	19 032	18 485
Other charges of debt (B)*	1 422	1 153
Weighted average financial debt of the period (C)**	855 963	891 013
Weighted average interest rate (A-B)/C	**2,06%**	**1,95%**

* Other debt costs relate to reservation fees, up-front fees, etc.

** Financial debt at the end of the period multiplied by factor 1,0229

Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments

in 000 €	31.03.2023	31.03.2022
Shareholders' equity attributable to the shareholders of the parent company (A)	1 097 249	920 980
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties (B)	-94 636	-72 163
Impact on the fair value of estimated transaction rights and costs resulting from the hypothetical disposal of investment properties - attributable to minority interests (B)	1 569	0
The fair value of authorised hedging instruments qualifying for hedge accounting (C)	55 164	10 875
Proposed gross dividend (D)	69 021	60 842
Number of ordinary shares in circulation (E)	14 085 827	13 226 452
Net asset value per share (investment value) excluding dividend excluding the fair value of authorised hedging instruments ((A-B-C-D)/E)	**75,69**	**69,67**

Gross yield

in 000 €	31.03.2023	31.03.2022
The current rental income (net, after deduction of canon) (A)	136 390	119 343
The estimated investment value of the portfolio (without taking into account the assets under construction included in the cost price) (A)	1 966 871	1 817 515
Gross yield (A/B)	**6,93%**	**6,57%**

* Difference between the investment value included here and the investment value as stated previously in the balance sheet is explained by the real estate portfolio of "Distri-land". The yield is determined on the basis of real estate reports, whereby the "Distri-land" portfolio is included for 100%. Retail Estates only holds 87,00% of the issued real estate certificates and values the certificates to the underlying value of the property pro rata its contractual rights.

RECONCILIATION TABLES ALTERNATIVE PERFORMANCE BENCHMARKS:

EPRA INDICATOR TABLES

These data are not required by the legislation on Belgian REITs and are not subject to verification by public authorities.

EPRA earnings	31.03.2023 EUR/1000	31.03.2022 EUR/1000
IFRS Net Result	**181 436**	**131 837**
Adjustments to calculate EPRA earnings		
To exclude:		
Changes in fair value of investment properties	55 917	23 083
Other result on portfolio	-4 596	-1 321
Result on disposal of investment properties	139	334
Changes in the fair value of financial assets and liabilities	41 645	34 476
Adaptations to minority interests	127	0
EPRA earnings (attributable to the shareholders of the parent company)	**88 203**	**75 265**
Diluted EPRA earnings (in €)		
EPRA earnings (EUR/share) (attributable to the shareholders of the parent company)	**6,34**	**5,84**
Diluted EPRA earnings per share (in €)		

EPRA Net Asset Value (NAV)	31.03.2023			31.03.2022		
	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NRV	EPRA NTA	EPRA NDV
	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000	EUR/1000
Net Asset Value (attributable to the shareholders of the parent company) according to the annual accounts	**1 097 249**	**1 097 249**	**1 097 249**	**920 980**	**920 980**	**920 980**
Net Assets (EUR/share) (attributable to the shareholders of the parent company)	**77,90**	**77,90**	**77,90**	**69,63**	**69,63**	**69,63**
Effect of exercise of options, convertibles and other equity interests	-	-	-	-	-	-
Diluted net asset value after effect of exercise of options, convertibles and other equity interests	-	-	-	-	-	-
To exclude:						
Fair value of the financial instruments	55 164	55 164	-	10 875	10 875	-
Deferred taxes	-3 544	-3 544	-	595	595	-
Deferred taxes - minority interests	124	124	-	-	-	-
Goodwill	-	-	-	-	-	-
Intagible fixed assets	-	6 192	-	-	4 030	-
To inlude:						
Fair Value of debt at fixed intrest rates	-	-	19 673	-	-	-9 621
Revaluation of intagible fixed assets to fair value	-	-	-	-	-	-
Transfer taxes	94 636	-	-	74 162	-	-
Transfer taxes - minority interests	-1 569	-	-	-	-	-
EPRA NAV (attributable to the shareholders of the parent company)	**1 138 570**	**1 039 312**	**1 116 922**	**983 672**	**905 480**	**911 358**
EPRA NAV (EUR/share) (attributable to the shareholders of the parent company)	**80,83**	**73,78**	**79,29**	**74,37**	**68,46**	**68,90**

EPRA Net Initial Yield		31.03.2023 EUR/1000	31.03.2022 EUR/1000
Investment properties (excluding assets held for sale) fair value		1 888 562	1 759 879
Transfer taxes		94 642	73 878
Investment value		1 983 204	1 833 757
Investment properties under construction		16 335	15 511
Investment value of the properties, available for rent	**B**	**1 966 869**	**1 818 246**
Annualised gross rental income		136 390	121 870
Property costs (EPRA)		-2 813	-2 620
Rent payable for hired assets and lease costs		-256	-203
Recovery of charges and taxes normally payable by tenants on let properties		13 006	11 963
Charges normally payable by tenants on let properties		-14 922	-13 953
Charges and taxes on unlet properties		-641	-427
Annualised net rental income	**A**	**133 577**	**119 250**
Notional rent expiration of rent free period or other lease incentives			
Topped-up net annualised rent	**C**	**133 577**	**119 250**
EPRA Net Initial Yield (NIY)	**A/B**	**6,79%**	**6,56%**
EPRA topped-up Net Initial Yield (topped-up NIY)	**C/B**	**6,79%**	**6,56%**

EPRA Vacancy Rate	31.03.2023 EUR/1000	31.03.2022 EUR/1000
Estimated rental value of vacant surfaces	2 755	2 526
Estimated rental value of total portfolio	136 390	121 870
EPRA Vacancy Rate	**2,02%**	**2,07%**

EPRA Cost Ratio		31.03.2023 EUR/1000	31.03.2022 EUR/1000
Operating corporate costs		7 097	6 050
Impairments on trade receivables		434	144
Rent costs on land		256	203
Property costs		15 332	10 524
Less:			
Rent costs on land		-256	-203
EPRA costs (incl. vacancy costs)	**A**	**22 863**	**16 718**
Vacancy costs	B	-265	-104
EPRA costs (excl. vacancy costs)	**C**	**22 598**	**16 613**
Rental income less rent costs on land	**D**	**125 600**	**115 570**

		%	%
EPRA Cost Ratio (incl. vacancy costs)	**A/D**	**18,20%**	**14,47%**
EPRA Cost Ratio (excl. vacancy costs)	**C/D**	**17,99%**	**14,38%**

Property related capex *(in 000 €)*	31.03.2023	31.03.2022
Acquisitions	60 061	44 664
Developments	2 278	8 491
CapEx - incremental lettable area	0	0
CapEx - non-incremental lettable area	14 866	3 901
Activated intrest expenses	46	1
Total[1]	**77 250**	**57 057**

[1] For more information on the acquisitions and developments, we refer to the detailed notes in the chapters "Investments" and "non-current assets under construction" of the management report.

Evolution of rental income on a similar portfolio (excluding purchases/sales from past financial year)

	31.03.2023			31.03.2022			Evolution			
(in € 000)	Belgium	The Netherlands	Total	Belgium	The Netherlands	Total	Belgium	The Netherlands	Total	%
Rental income	84 681	41 175	125 856	78 775	36 998	115 773	5 906	4 177	10 083	8,7%
Acquisitions and developments	-1 366	-2 753	-4 119	-2 944	-760	-3 704	1 578	-1 993	-415	
Disposals	1 345	74	1 419	1 863	832	2 696	-518	-758	-1 277	
Gross rental incomes at constant scope	84 660	38 496	123 156	77 695	37 071	114 765	6 965	1 425	8 391	7,3%
Explained by										
Indexation	5 021	1 907		1 149	490				6 928	
Renegotiated contract	253	255		-465	99				508	
Vacancy	-468	98		-775	-68				-370	
Discounts	203	-81		63	-86				122	
Covid19	-	-		7 534	3 540				-	
Other			1 203			680			1 203	

EPRA Loan-to-value ratio	31.03.2023	31.03.2022
Credit institutions	609 967	584 594
Long term financial lease	4 871	4 159
Bonds	175 400	175 229
Credit institutions (short term)	51 464	101 730
Trade receivables	11 442	2 067
Tax receivables and other current assets	1 803	2 132
Trade debts and other current debts	24 409	17 787
Other current liabilities	1 612	1 771
Net debt	**854 478**	**881 071**
Investment property	1 888 562	1 759 879
Assets or groups of assets held for sale	8 561	11 807
Intangible non-current assets	6 192	4 030
Receivables towards participations accounted for using the equity method	5 000	5 000
Net property value	**1 908 315**	**1 780 716**
Loan-To-Value	**44,78%**	**49,48%**

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. Real 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 in Belgium and 1,500 m² in the Netherlands.

As of 31 March 2023, Retail Estates nv has 1,013 rental units in its portfolio with a total retail area of 1,211,004 m², spread over Belgium and the Netherlands. The occupancy rate of the portfolio was 98.08% on 31 March 2023, compared to 97.83% on 31 March 2022.

The fair value of the consolidated real estate portfolio of Retail Estates NV as at 31 March 2023 is estimated at € 1,888.56 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, 26 May 2023

Jan De Nys, CEO of Retail Estates nv

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