



Pan-European
Real Estate
Conference
Kepler Cheuvreux

14 November 2024



Highlights

Our portfolio

ESG

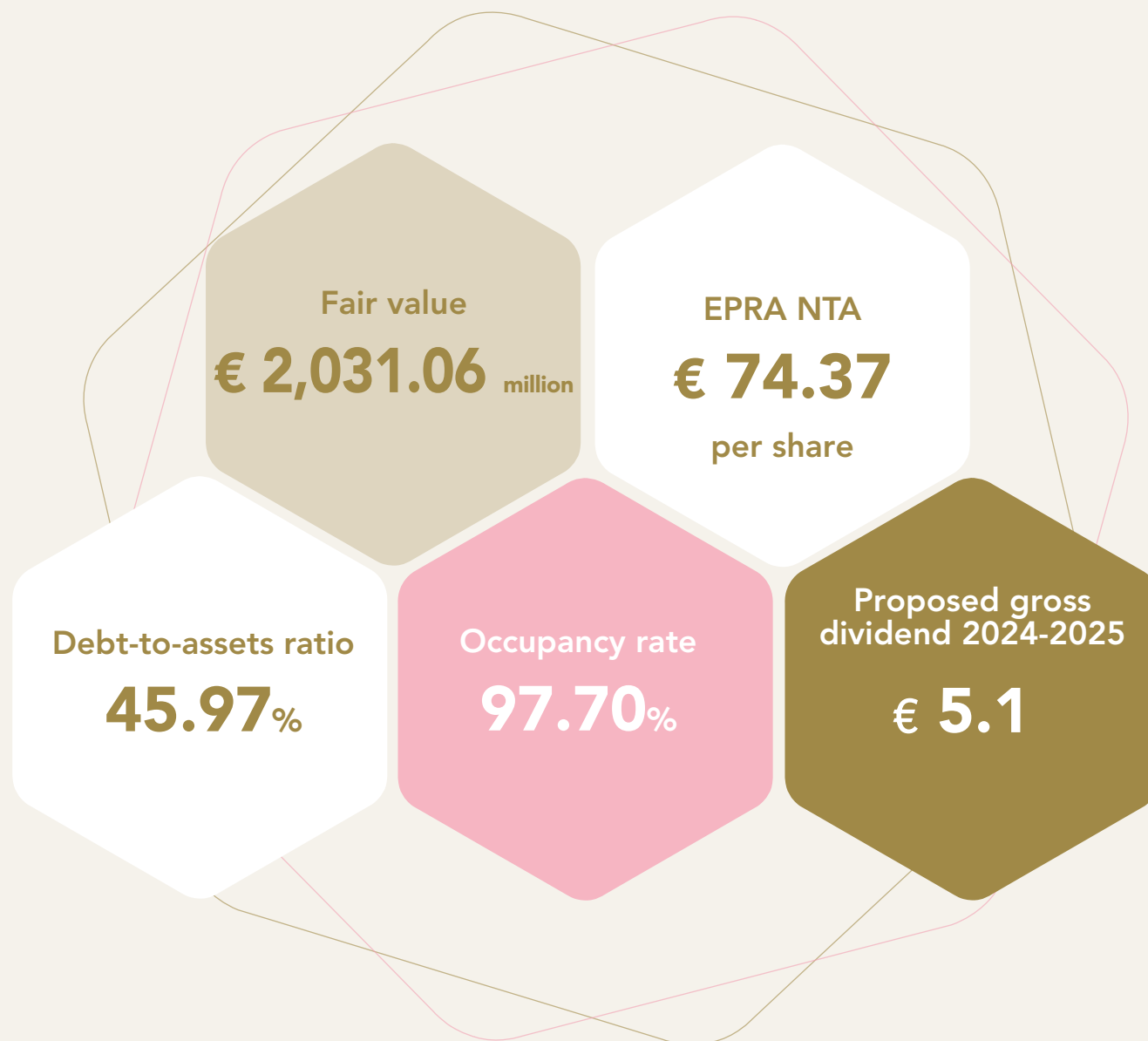
Financials

Financing

Outlook

Appendix

First quarter 2024-2025 (ended 30 June 2024)



Echoes from the retailers

WHAT HAPPENED IN THE PAST PERIOD

- Period up to 31 August 2024
- Consumer mood: indexation wages and residential property market
- Have and havenots
- Food retailers
- Non-food retailers
- Weather
- Travel and horeca
- The wheel of retailing: restructuring and bankruptcies, creative destruction, substantial takeover



Risk management

- Interpreting red flags and gradually reducing exposure over several years
- Relaunch before bankruptcy, direct takeover of lease via curator following a bankruptcy, or reletting on our terms

	Exposure	Exposure		Relet	
	at peak	at time of bankruptcy # sites	Annual rent in €	on 15 September 2024 # sites	Annual rent in €
BCC	3	3	662,341	3	705,500
Big Bazar	2	2	177,539	1	88,020
Bristol (Euro Shoe Group)	20	11	1,555,134	9	1,226,942
Carpetright	17	4	490,271	1.5	140,065

Echoes from the retailers

WHAT DO WE EXPECT IN THE COMING PERIOD

Inflation

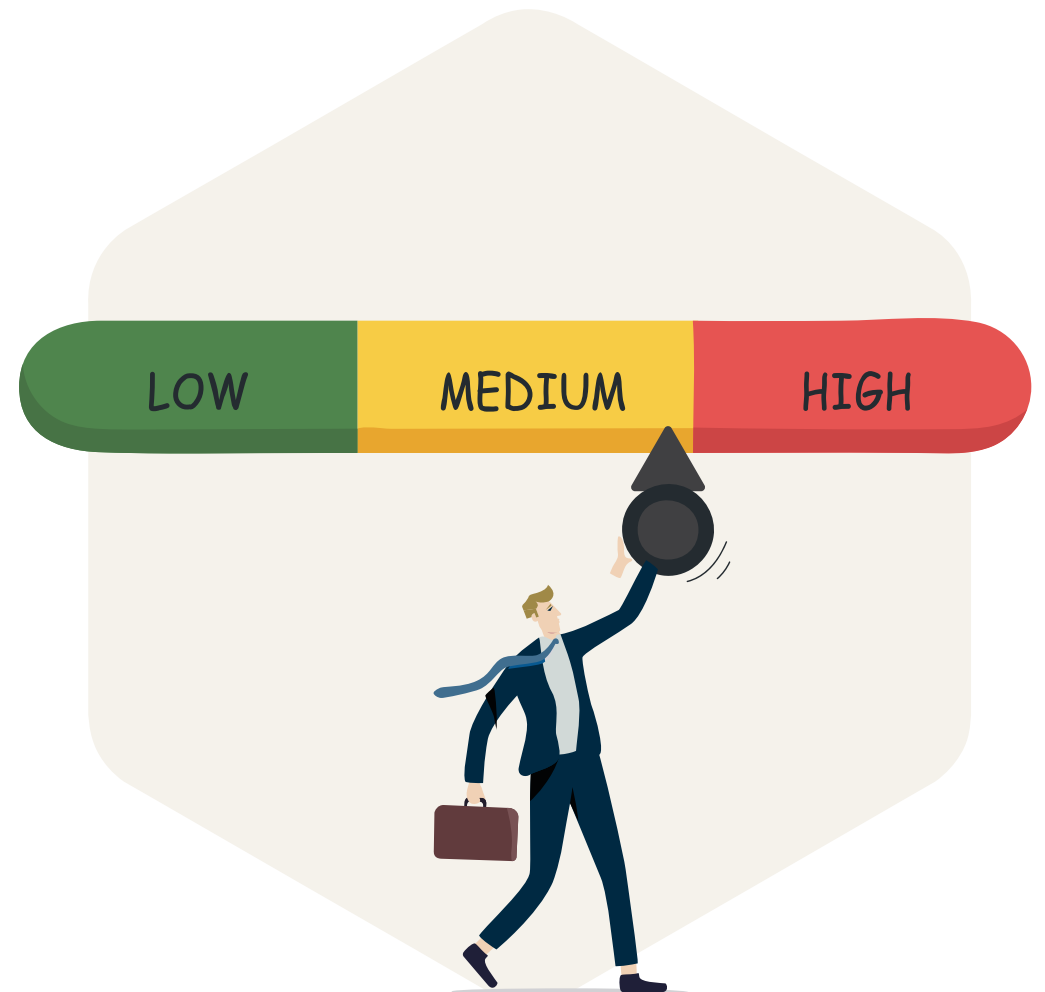
- Full indexation Belgium/the Netherlands: slowing down but still positive
- Evolution contractual rent versus ERV
- Rent reviews : renewals/break date

Salary costs

Logistics

Circular economy

Click and collect



Echoes from the retail/investment market

- Number of changes following bankruptcies and restructuring, compensated by strong takeup
 - 20 shops affected on total of 1,018
- Low activity for investors: frozen market except for wealthy individuals/cash buyers/private equity
- Out-of-town
 - low risk profile thanks to strong operational performance
 - positive appreciation by bankers

Retail Estates in the past period and looking ahead

A. PROFITABILITY

- Rental income – incasso
- Vacancy
- Maintenance costs
- Personnel costs
- Interest costs
- Taxes
- Dividend



Retail Estates in the past period and looking ahead

B. BALANCE SHEET

- Property value
- Investment capacity
- Financing capacity
- Capital markets

C. MITIGATING FACTORS

- Low unemployment
- Indexation of wages/
real growth





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Portfolio valuation: Belgium vs the Netherlands (30 June 2024)

BELGIUM

- Yield BE: **6.76%**
- Average contractual rent/m²
BE: **120.61** EUR
- Occupancy rate BE:
97.90%



THE NETHERLANDS

- Yield NL: **7.17%**
- Average contractual rent/m²
NL: **117.68** EUR
- Occupancy rate NL:
97.38%

Portfolio KPIs (30 June 2024)

EPRA Net Initial Yield (NIY)
6.91%

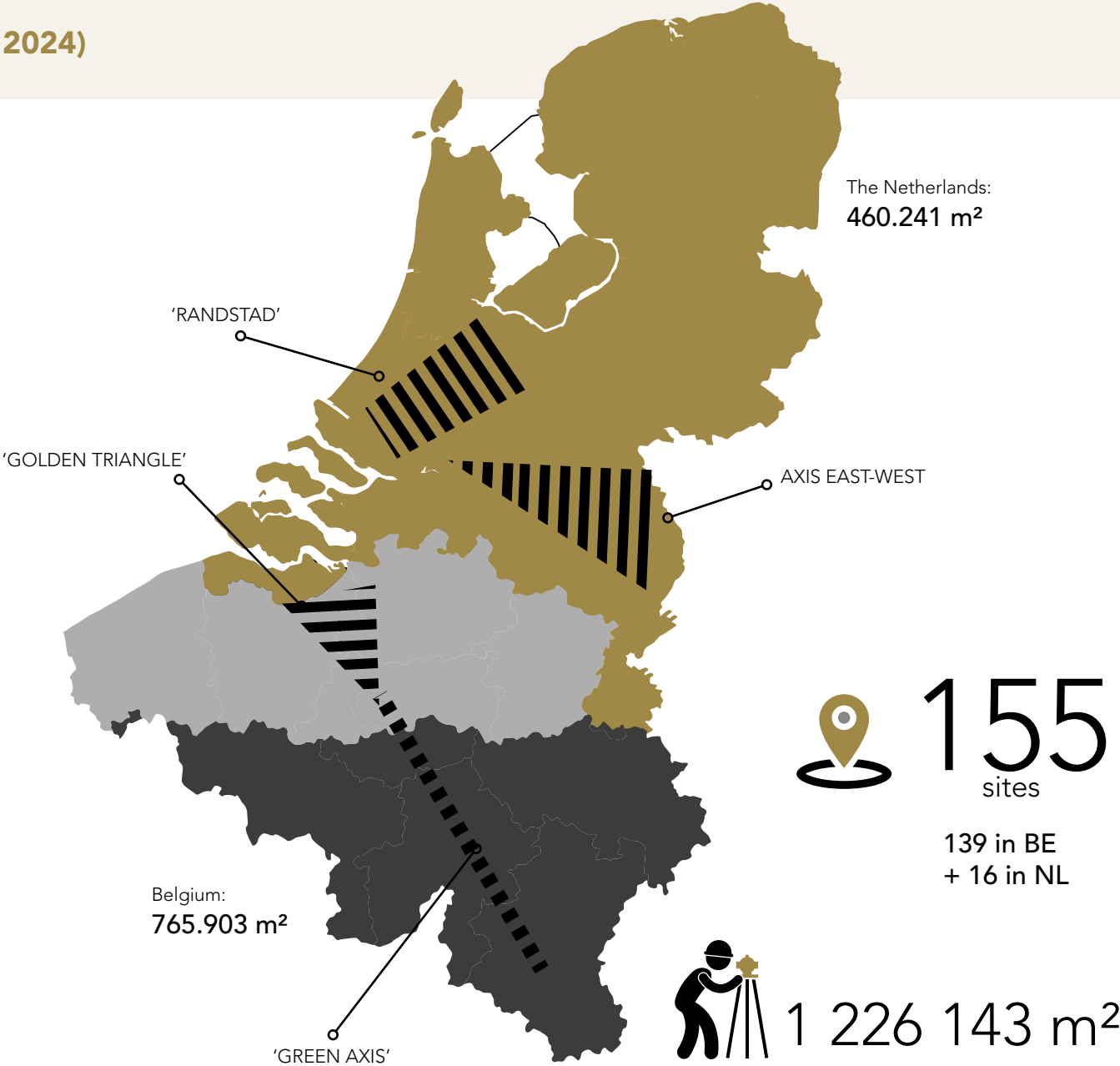
Yield on Portfolio (based on actual rents)
6.91%

302
Retail properties in the Netherlands

716
Retail properties in Belgium

1 018
Retail properties

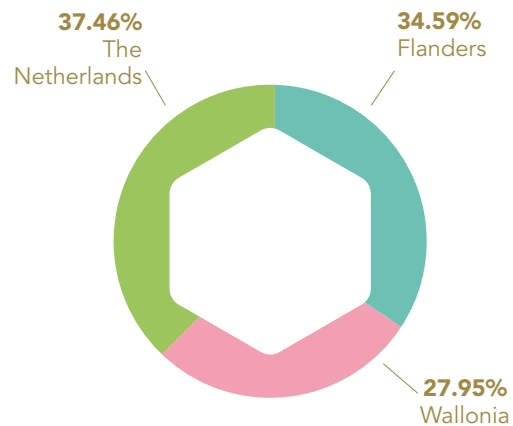
The real estate portfolio of Retail Estates nv consists of retail properties located outside the largest cities of Belgium and the Netherlands



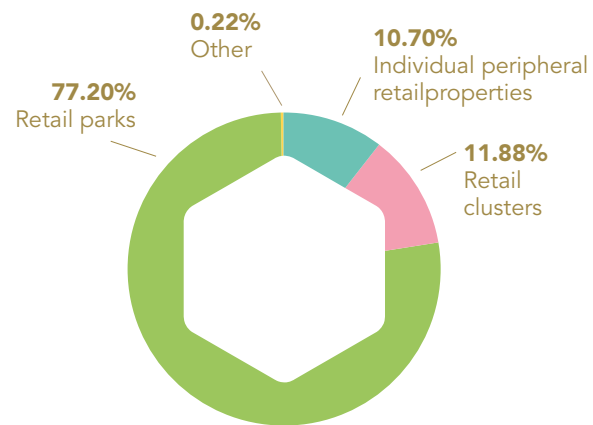
Quality and diversification of tenants (31 March 2024)

Partner
of choice

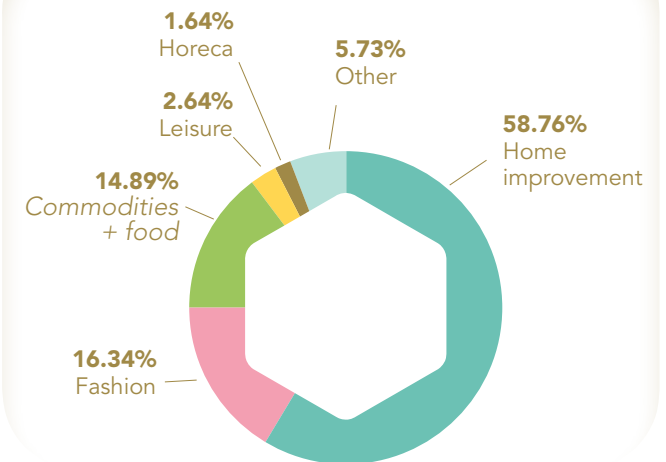
GEOGRAPHICAL DISTRIBUTION



TYPE OF BUILDING



COMMERCIAL ACTIVITIES OF TENANTS

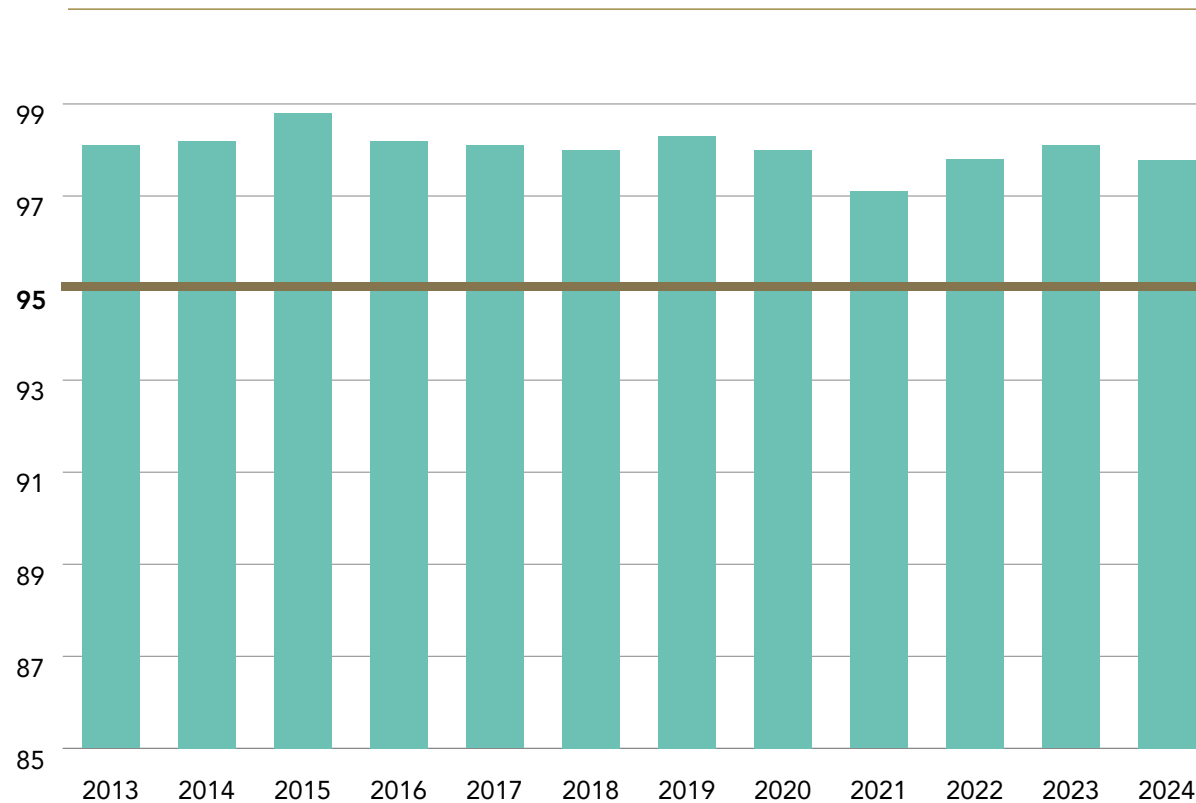


Stable evolution of occupancy rate (30 June 2024)

Partner
of choice

- Properties at prime locations in high demand
- Extensive retail market knowledge: know your customers

STABLE EVOLUTION OF OCCUPANCY RATE



Current
occupancy rate

97.70 %



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ONGOING SUSTAINABILITY IMPROVEMENTS TO OUR PORTFOLIO

9.5 mio EUR

invested in energy efficiency of buildings (mainly roofs & windows)



Evaluation of investments to define roadmap for the coming years

Preparation ongoing for CSRD reporting & taxonomy

Target setting



2.7 mio EUR

invested in solar panels

13

locations with solar panels (=100 rental units)

6 planned in 2024-2025 (+/- 40.000 m² roof)

4.868 kWp

total capacity of our solar panels

production capacity for 807 families¹

29

locations with charging stations

Agreements with Allego and Sparki for 46 additional locations in 2024-2025

ESG: Social & Governance

Partner
of choice

HAPPY EMPLOYEES & EMBEDDING ESG

SOCIAL

- New team members to improve operational capabilities and bring in outside experience and knowledge
- Talent development by trainings
- A healthy & close team: RE @ Mont Ventoux



GOVERNANCE

- Cybersecurity awareness
- Updated or introduced new policies:
 - ➔ whistleblower policy
 - ➔ supplier code of conduct
- Embedding sustainability in governance & include in the strategy





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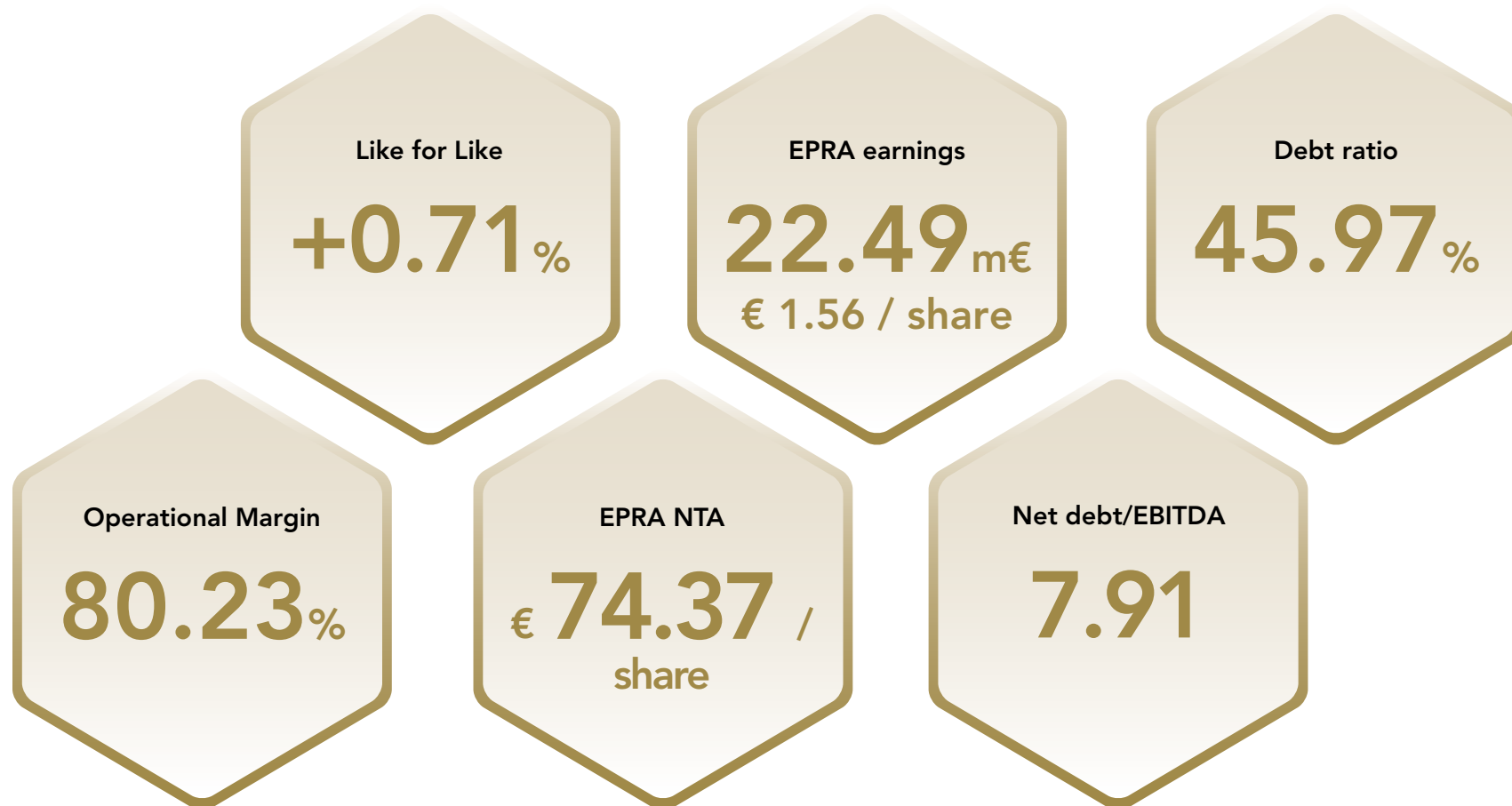
Key figures (financial years 2022-2024)

REAL ESTATE PORTFOLIO	31.03.2024	31.03.2023 <i>(excluding non-recurring income²)</i>	31.03.2023	31.03.2022
Number of properties	1,020		1,013	987
Total lettable area in m ²	1,228,576		1,211,004	1,177,577
Estimated fair value (in €)	2,028,317,000		1,888,562,000	1,759,879,000
Estimated investment value (in €)	2,134,531,000		1,983,204,000	1,833,757,000
Average rent prices per m ²	119.06		114.89	104.14
Occupancy rate	97.89%		98.08%	97.83%
BALANCE SHEET INFORMATION	31.03.2024	31.03.2023 <i>(excluding non-recurring income²)</i>	31.03.2023	31.03.2022
Shareholders' equity	1,174,361,000		1,104,064,000	920,980,000
Shareholders' equity attributable to the shareholders of the parent company	1,167,356,083		1,097,249,112	920,980,000
Debt ratio (RREC legislation, max. 65%) ¹	44.62%		44.77%	49.15%
RESULTS	31.03.2024	31.03.2023 <i>(excluding non-recurring income²)</i>	31.03.2023	31.03.2022
Net rental income	138,829,000		125,401,000	115,579,000
Property result	136,431,000		123,482,000	113,504,000
Property costs	-16,340,000		-15,332,000	-10,524,000
Operating corporate costs and other current operating income and expenses	-8,473,000		-7,097,000	-6,050,000
Operating result before result on portfolio	111,617,000		101,053,000	96,930,000
Result on portfolio	50,425,000		51,460,000	22,096,000
Operating result	162,043,000		152,513,000	119,026,000
Financial result	-38,059,000		22,723,000	16,158,000
Net result (share Group)	122,967,000		180,621,000	131,837,000
EPRA earnings (share Group)	88,366,000	80,501,000	88,203,000	75,265,000

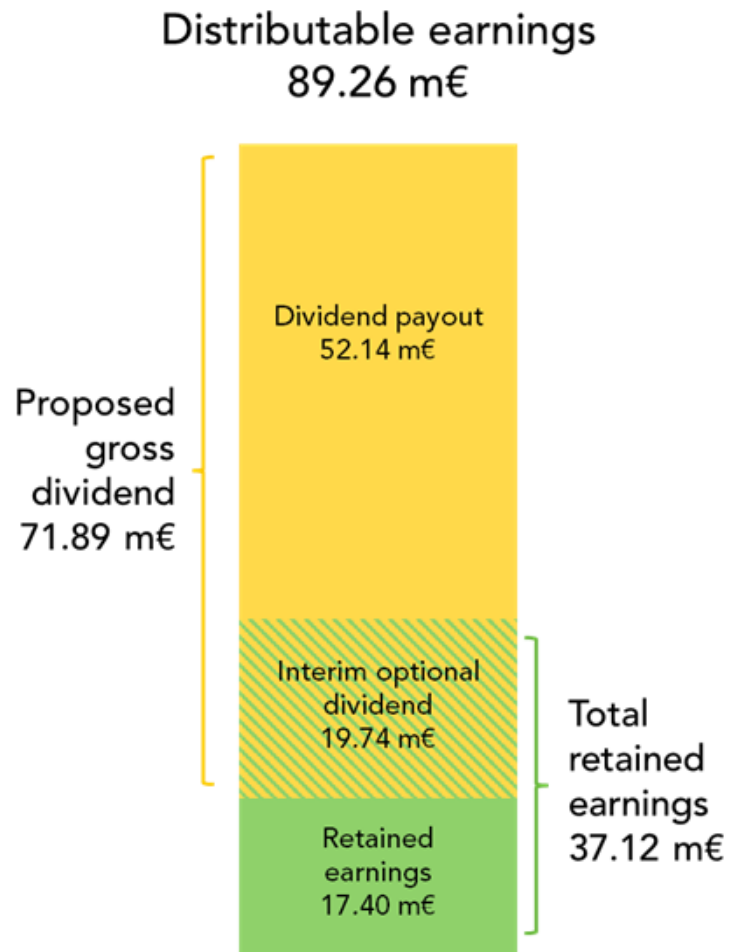
¹ The Royal Decree of 13 July 2014 relating to the regulated real estate companies (the "RREC R.D."), last modified by the Royal Decree of 28 April 2018 in execution of the Law of 12 May 2014 relating to the regulated real estate companies (the "RREC Law").

² Compared to the EPRA earnings per share of 2022-2023 excluding non-recurring results as a consequence of various refunds of Dutch taxes relating to the previous financial year

Key figures (30 June 2024)



Optional dividend and pay-out



Consolidated income statement (31 March 2024)

INCOME STATEMENT <small>(in € 000)</small>	31.03.2024	31.03.2023
Rental income	139,533	125,856
Rental related expenses	-705	-455
Net rental income	138,829	125,401
Recovery of property expenses		
Recovery of rental charges and taxes normally payable by tenants on let properties	14,609	13,006
Rental charges and taxes normally payable by tenants on let properties	-16,905	-14,922
Other rental related income and expenses	-101	-2
Property result	136,431	123,482
Technical costs	-7,932	-7,691
Commercial costs	-1,249	-1,828
Charges and taxes on unlet properties	-504	-641
Property management costs	-6,653	-5,166
Other property costs	-3	-6
Property costs	-16,340	-15,332
Operating property result	120,090	108,150
Operating corporate costs	-8,473	-7,097
Other current operating income and expenses		
Operating result before result on portfolio	111,617	101,053
Result on disposals of investment properties	-399	139
Result on sales of other non-financial assets		0
Changes in fair value of investment properties	51,190	55,917
Other result on portfolio	-365	-4,596
Operating result	162,043	152,513
Financial income	162	169
Net interest charges	-21,671	-19,032
Changes in the fair value of financial assets and liabilities	-16,487	41,645
Other financial charges	-63	-60
Financial result	-38,059	22,723
Share in the result of associated companies and joint ventures	-92	1
Result before taxes	123,891	175,238
Taxes	-734	6,199
Net result	123,157	181,436
Shareholders of the Group	122,967	180,621
Minority interests	190	815
EPRA earnings (share Group)	88,366	88,203
Result on portfolio	50,425	51,460
Changes in fair value of financial assets and liabilities	-16,487	41,645
EPRA result minorities	853	127

Consolidated balance sheet (31 March 2024)

ASSETS (in € 000)	31.03.2024	31.03.2023
Non-current assets	2,089,636	1,964,347
Goodwill		
Intangible non-current assets	8,874	6,192
Investment properties ¹	2,028,317	1,888,562
Other tangible non-current assets	6,450	6,339
Financial non-current assets	44,924	62,056
Financial instruments	38,275	55,315
Participations accounted for using the equity method	1,649	1,741
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	40	167
Deferred taxes	8	141
Other	32	27
Current assets	41,306	29,019
Assets or groups of assets held for sale	8,552	8,561
Trade receivables	14,627	11,442
Tax receivables and other current assets	7,311	1,803
Cash and cash equivalents	7,089	4,128
Deferred charges and accrued income	3,727	3,085
TOTAL ASSETS	2,130,942	1,993,365

¹ Including investment properties under construction (IAS 40).

Consolidated balance sheet (31 March 2024)

SHAREHOLDERS' EQUITY AND LIABILITIES (in € 000)	31.03.2024	31.03.2023
Shareholders' equity	1,174,361	1,104,064
Shareholders' equity attributable to the shareholders of the parent company	1,167,356	1,097,249
Capital	315,035	308,515
Issue premiums	384,498	374,308
Reserves	344,857	233,804
Net result of the financial year	122,967	180,621
Minority interests	7,005	6,815
Liabilities	956,581	889,301
Non-current liabilities	870,386	793,923
Provisions		
Non-current financial debts	867,186	790,238
Credit institutions	686,535	609,967
Long term financial lease	5,079	4,871
Bonds	175,572	175,400
Other non-current financial liabilities	0	0
Deferred taxes	3,200	3,684
Current liabilities	86,194	95,379
Current financial debts	46,682	51,464
Credit institutions	46,682	51,464
Bonds	0	0
Short term financial lease	0	0
Trade debts and other current debts	18,718	24,409
Exit tax	738	391
Other	17,979	24,018
Other current liabilities	1,153	1,612
Accrued charges and deferred income	19,642	17,895
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,130,942	1,993,365
DEBT RATIO	31.03.2024	31.03.2023
Debt ratio ²	44,62%	44,77%

² 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).

EPRA key performance indicators

	30.06.2024		31.03.2024	
	EUR/1000	EUR per share	EUR/1000	EUR per share
EPRA earnings	22,492	1.56	88,366	6.18
EPRA net tangible assets (NTA)	1,093,929	74.37	1,123,482	78.15
Share price on 26/09/2024		66.30		65.00





color
code

ENTRANCE

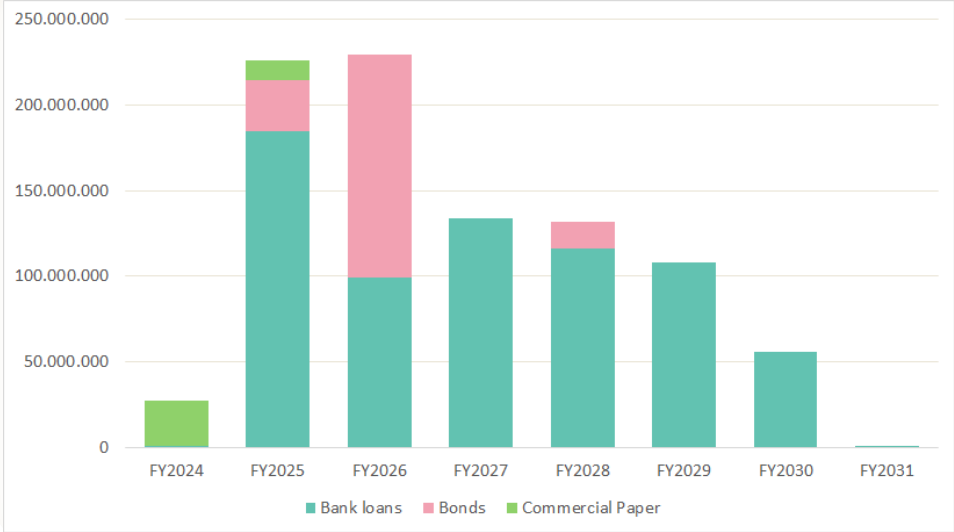
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Interest rates and maturity (30 June 2024)

Average interest rate
2.10%

Average debt maturity
3.73 years

OVERVIEW DEBT MATURITY (IN EUR)

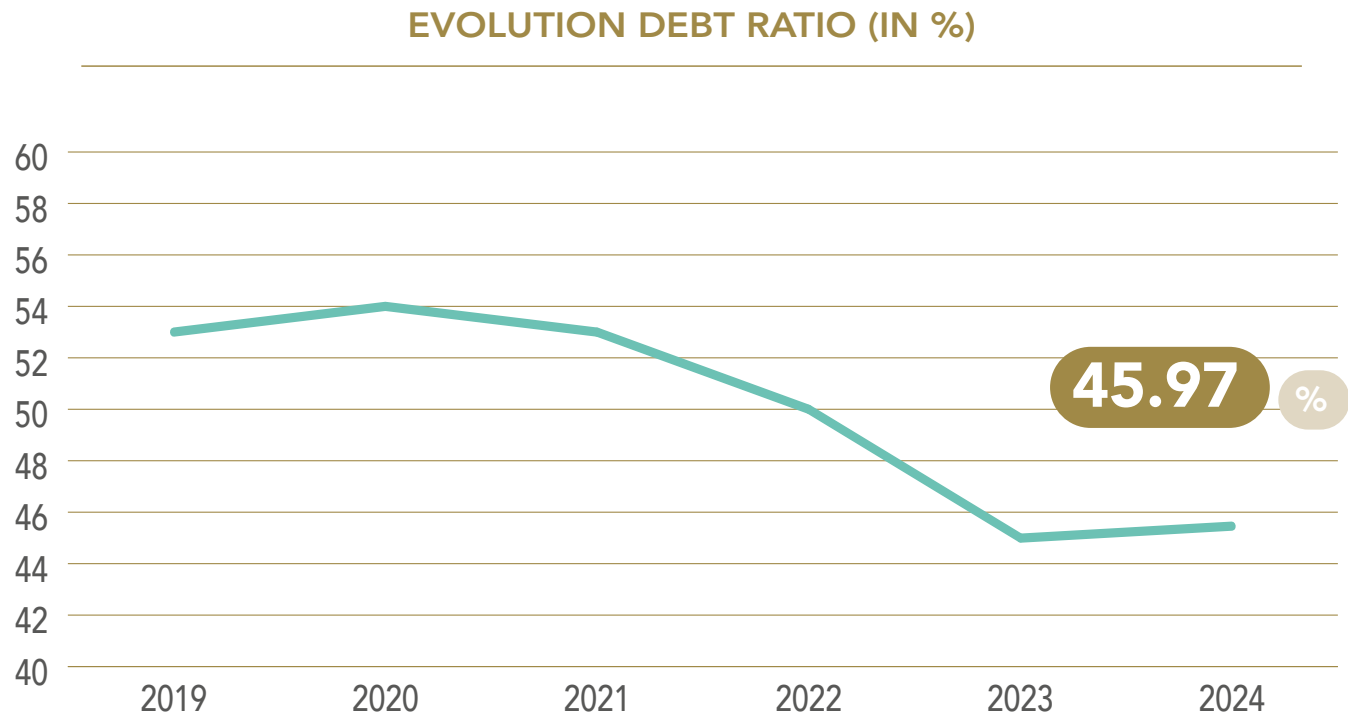


Interest rates and maturity (30 June 2024)

Debt ratio
45.97%

Net debt/EBITDA
7.91

Investment capacity
(debt rate max 50%)
161.36m€



Hedging (30 June 2024)

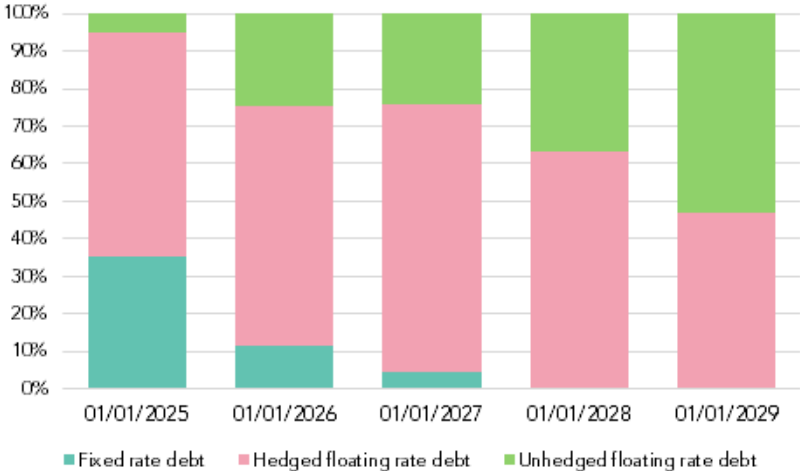
Hedge ratio

97.68%

Interest cover ratio (min 2)

6.94

OVERVIEW FIXED RATE DEBT, HEDGED FLOATING RATE DEBT AND UNHEDGED FLOATING RATE DEBT (in %)



Structure of debt (30 June 2024)

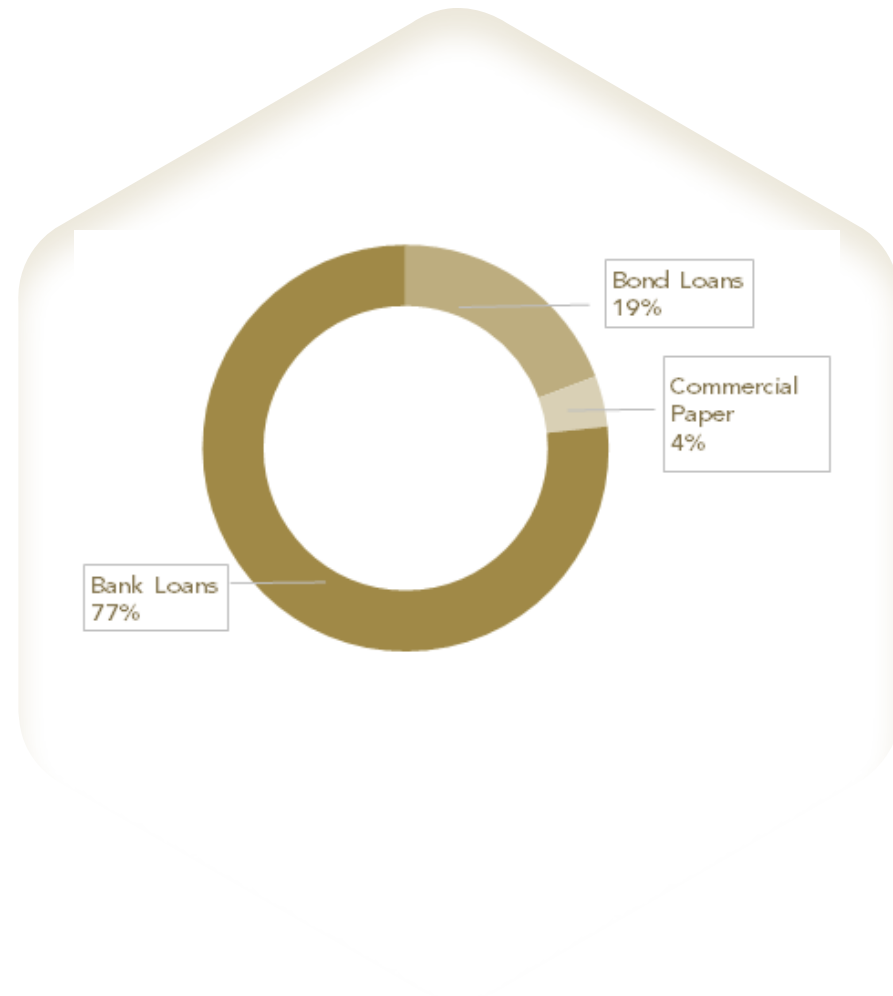
Unused credit facilities
(excl back-up for commercial paper)

139.36
m€

New or extended credit lines

60 m€

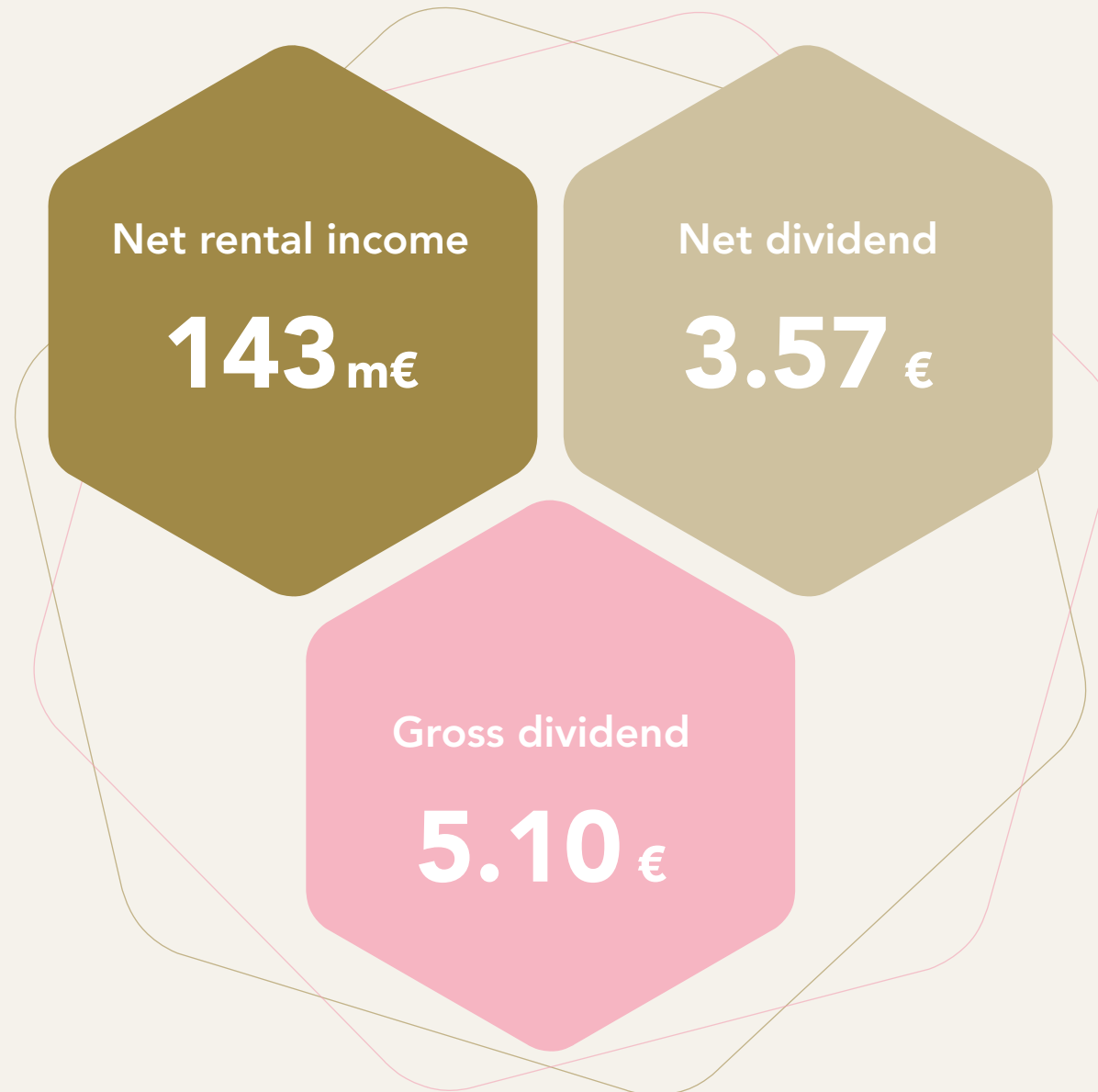
STRUCTURE OF THE FINANCIAL DEBT





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OUTLOOK AND GUIDANCE 2024-2025



Calendar

Half-year results 2024-2025

Monday 18 November 2024

Third quarter results 2024-2025

Monday 24 February 2025

Full year results 2024-2025

Monday 26 May 2025

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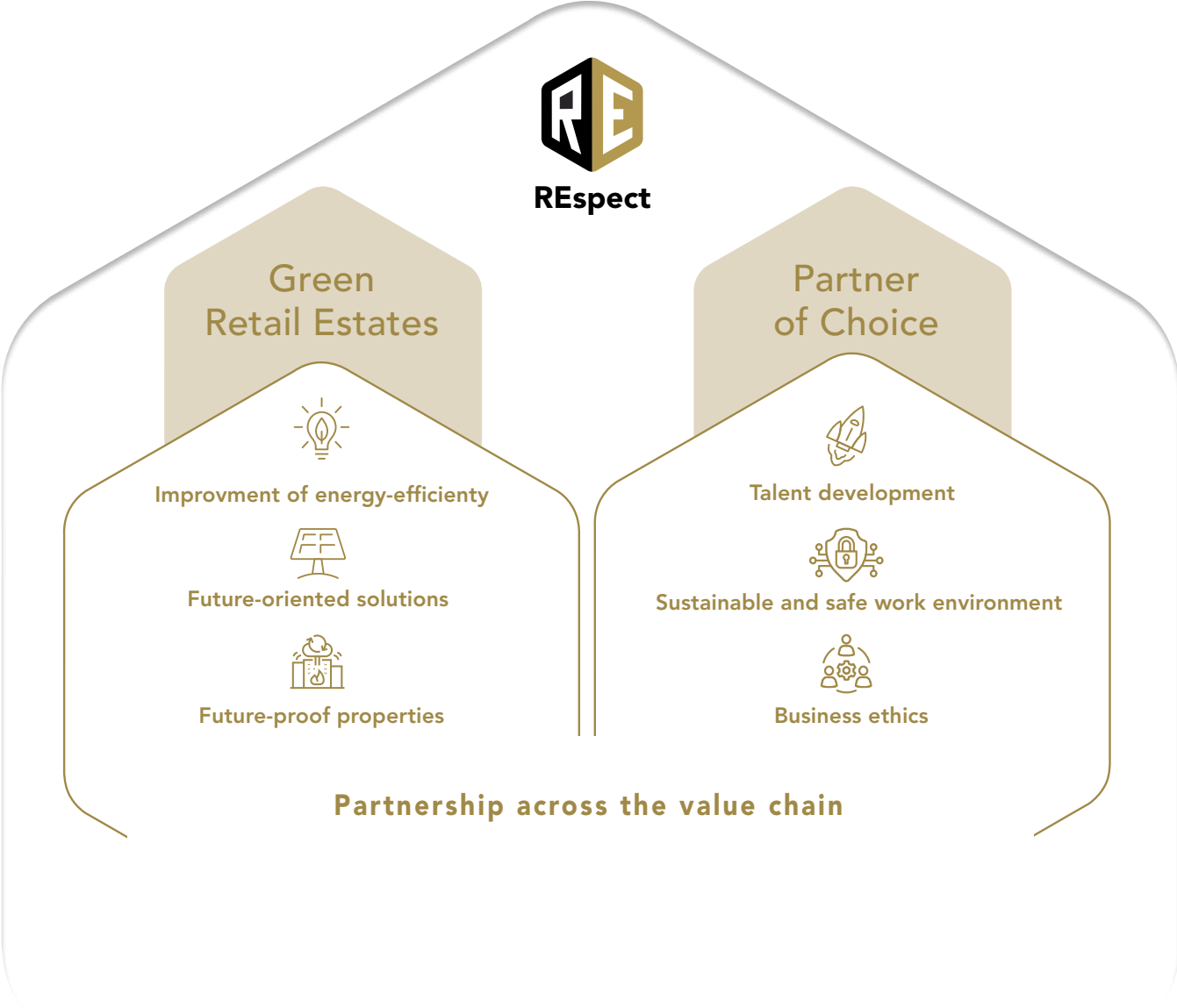
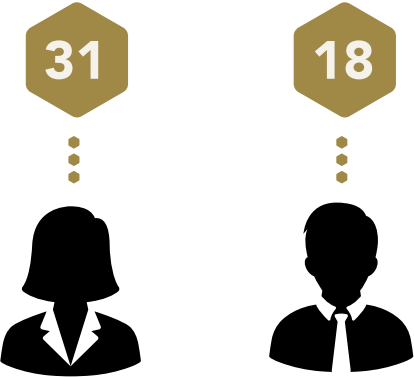


“Retail Estates was again included in the EPRA annual report survey and received a gold award for its financial reporting and a silver award for its sustainability reporting.”



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Profile of Retail Estates



Portfolio evolution

GROWTH PORTFOLIO RETAIL ESTATES NV BETWEEN 1998 AND 2024

Fair value
€ 2,031,056

Retail Estates nv focuses on continuously strengthening the quality of its property and expanding its property portfolio

Retail area
1,226,143 m²

Retail Estates nv is expanding its portfolio through acquisitions, project developments and optimisation of the property portfolio.

Entry into the Netherlands

2024
2 bn

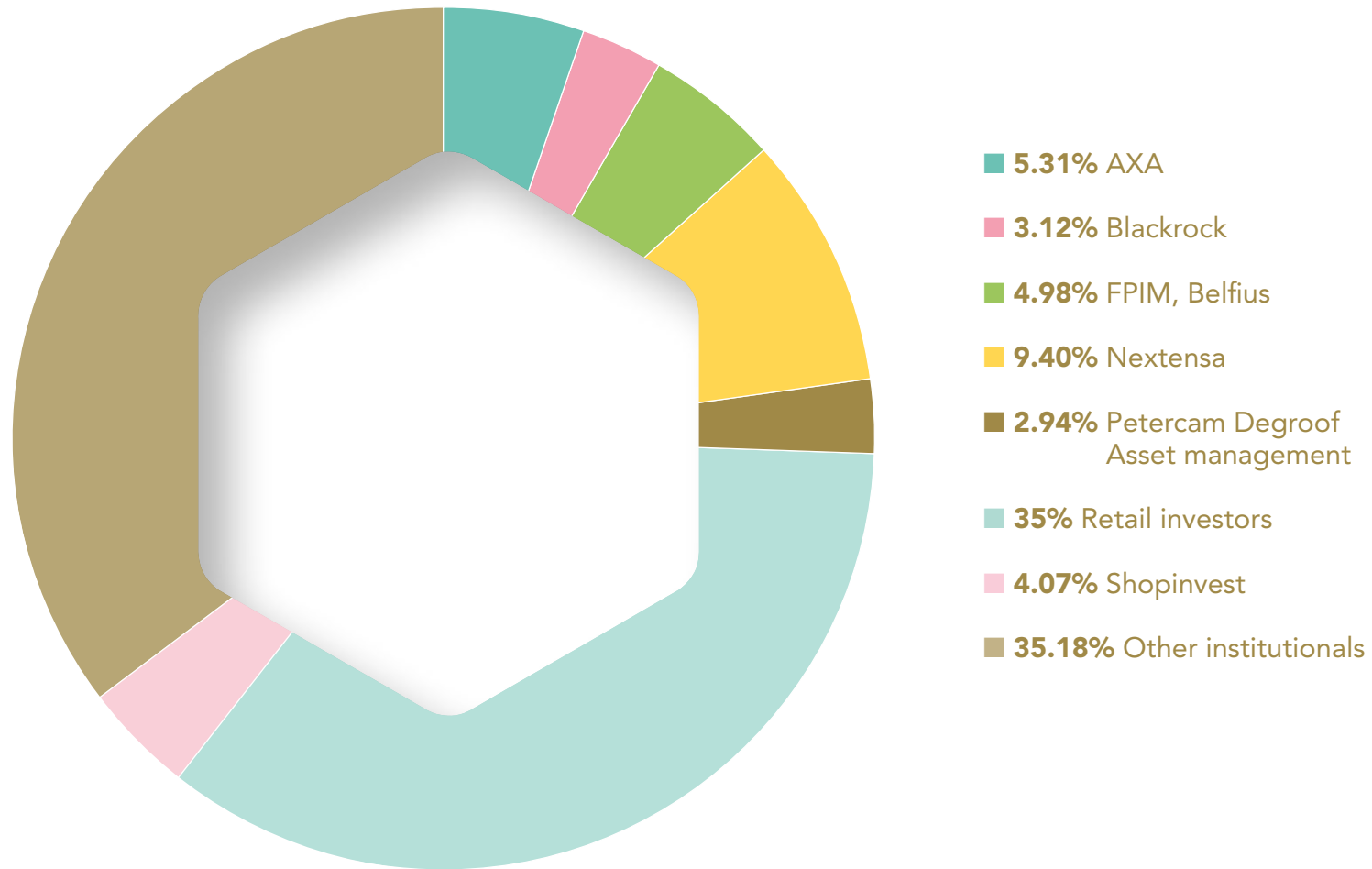
2019
1.5 bn

2016
1 bn

2011
0.5 bn



Shareholder structure



Share evolution



Milestones of Retail Estates

1998

Retail Estates on the stock exchange

IPO and first listing on Euronext Brussels



1999

Strengthening of the capital

First public capital increase

2002

Independent

Retail Estates becomes an independently managed investment company with fixed capital

2003

Strengthening of the capital

Second public capital increase



2008

Value real estate portfolio

Real estate portfolio reaches the milestone of EUR 250 million

2011

Value real estate portfolio

Real estate portfolio reaches the milestone of EUR 500 million

2012

Optional stock dividend

Offered to the shareholders for the first time

2013

Strengthening of the capital

Third public capital increase



2014

Diversification of financing sources

Bond issue - private placement

Sicaf becomes Belgian Reit

2015

Strengthening of the capital

Fourth public capital increase

2016

Value real estate portfolio

Real estate portfolio reaches the milestone of EUR 1 billion

Diversification of financing sources

Bond issue - private placement

2017

Inclusion in EPRA index

The inclusion in the EPRA index contributes to the share's visibility

2018

20 years Retail Estates on the stock exchange

Additional listing on Euronext Amsterdam

Strengthening of the capital

Fifth public capital increase
Expansion to the Netherlands

2019

Value real estate portfolio

Real estate portfolio reaches the milestone of EUR 1,5 billion

2020

Diversification of financing sources

Bond issue - private placement of EUR 75 million



2021

Stable portfolio valuations and increasing dividend

Despite months of mandatory shop closures due to Corona crisis

2022

Full recovery

Operating results to pre-corona level

2023

25th anniversary of Retail Estates



2024

Purchase Alexandrium Megastores

Value portfolio

Real estate portfolio reaches the EUR 2 billion



Notes

Notes

Notes



Public BE-REIT under the laws of
Belgium

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