

IN RETAIL WE TRUST



Occasional press release - regulatory information
Ternat, 21 December 2018

**RETAIL ESTATES STRENGTHENS ITS INVESTMENTS IN BELGIUM WITH
A € 49.89 MILLION INVESTMENT IN 40 ADDITIONAL PROPERTIES**

On 20 December 2018, Retail Estates acquired exclusive control of two real estate companies that own a total of 40 retail properties spread across Belgium.

The investments are composed as follows:

1. Retail park "Shop in Stock" in **Fosses-la-Ville** (Belgium, province of Namur): this retail park is located to the northwest of Namur (between Namur and Charleroi). It has a strong regional appeal in a customer zone of approx. 20 km between Namur, Dinant, Charleroi and Gembloux. The retail park has grown around the DIY shop "Stock Fosses" and currently comprises a retail area of 17,132 m² with 29 retail units. It offers an attractive mix of retail chains such as Delhaize, PointCarré, JBC and Action as well as small-scale local retailers and catering establishments that give this shopping destination a very unique character. The investment in the acquisition of this retail park amounts to € 29.02 million and generates a rental income of € 1.71 million. The fair value of these buildings amounts to € 28.58 million. This purchase resulted from the acquisition of exclusive control over a real estate company. The occupancy rate is 100%.
2. **Sale and rent back transaction:** retail units at cluster locations. Spread over six locations in Flanders (Belgium), a total of 11 retail units have been acquired at locations where Retail Estates had already acquired a considerable number of retail units. It concerns retail units in Antwerp (Merksem Bredabaan; 5 units), Lochristi (Antwerpsesteenweg; 2 units), Sint-Joris-Winge ('Gouden Kruispunt' retail park; one unit), Kampenhout (Mechelsesteenweg; one unit), Ninove (Aalstersesteenweg one unit) and Stabroek ('Picolo' retail park, one unit). Five of these retail units have been let to retail chain Modemakers. The other units have been let to retail chains such as Torfs, Fiets and Ethias. All of the units are currently let. The investment amounts to € 20.87 million and generates a rental income of € 1.25 million. According to the real estate expert, the fair value amounts to € 20.02 million. The transaction results from the acquisition of exclusive control over a retail estate company.

Reinforcement of Belgian real estate portfolio

Both investments fall within the scope of the investment strategy of Retail Estates, which focuses on the acquisition of retail parks and the reinforcement of the 40 cluster locations across Belgium as selected by the management. In addition, the investments take place in regions where the purchasing power of the population is above the Belgian average. The "Shop in Stock" retail park is located in the province of Namur, where we have systematically looked for interesting investment opportunities for the past few years. The out-of-town retail properties acquired in the second transaction are all located inside the 'golden triangle', the large area in and around the Brussels-Ghent-Antwerp triangle.

FINANCING - DEBT RATIO - CAPITAL INCREASE

The investment is financed for an amount of € 4.42 million by the issue of 68,000 new shares. The balance is paid through bank financing.

The new shares will be issued by the board of directors within the context of the authorised capital on 1 April 2019 after the approval of the FSMA.

The new shares will be issued at a contractually determined issue price of € 65 per share. They will participate in the profits as of the financial year that commences on 1 April 2019. They will represent a capital increase by € 1,530,026.49 and an issue premium for the balance of € 2,889,973.51.

The pro forma effect of these transactions on the debt ratio is expected to increase to 51.50% as of 31 December 2018.

ABOUT RETAIL ESTATES NV

Retail Estates nv is a public regulated real estate company and more specifically a niche company that specialises in investing in out-of-town retail properties which are located on the periphery of residential areas or along main access roads into urban centres. 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 property has an average area of 1,000 m².

As of 30 September 2018, Retail Estates nv has 834 premises in its portfolio with a total retail area of 977,170 m², spread over Belgium and the Netherlands. The occupancy rate of the entire portfolio was 98.00% on 30 September 2018, compared to 98.11% on 31 March 2018.

The fair value of the consolidated real estate portfolio of Retail Estates NV as of 30 September 2018 is estimated at € 1,391.65 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. As of 30 September 2018, the stock market capitalisation of the shares amounts to € 844.13 mio.

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.

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