



**M O N T E A**

**MORE THAN WAREHOUSES**

## **Presentation Financial Results 2008**

February 23th 2009

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## Montea « More than warehouses »

- Montea “More than warehouses”
- Vision
- Mission
- Long Term Strategy
- What we promised for 2008...?
- What we delivered in 2008...?
- Outlook for 2009...?
- Montea in 2009...



## Montea « More than warehouses » - Short presentation

- Real estate investment company listed on NYSE Euronext Brussels & Paris since October 2006
- Belgian REIT (Sicafi) & French REIT (SIIC)
- Focus on logistic and semi-industrial real estate in Belgium & France
- Strong knowledge of its market (30 years experience before listing)
- Currently EUR 218 Mio of assets - 366.059 m<sup>2</sup> - 32 sites
- Market cap of EUR 100 Mio
- Reference shareholders: De Pauw family (30,5%), Banimmo real estate (23%), Holding Communal (11%)
- Free float of 35%



## Vision

To become the most committed, innovative logistics and semi-industrial property specialist, with the most professional approach to clients, the environment, the supply chain of the future, and the creation of value.





## Mission

- Our vocation is to offer our clients **more than just warehouse space**. Our company wants to continuously **improve the supply chain**, the **quality of business premises** and **distribution infrastructure** while protecting the **environment**, through a **personalised, client-centred** approach.
- We want to make Montea a reference player in **logistics** and **semi-industrial** property, and want to prove ourselves through our **professional approach, flexibility, creativity, skills**, and capacity for **innovation**.
- We want to increase the **company's value** and ensure its **long-term growth**.





## Long Term Strategy

- **Sectorial** approach focused on **logistics & industrial** real estate in **Belgium & France** – “**Pure player**” strategy
- Creation of **long term value** for shareholders
  - Growth of portfolio based on **diversified** and **quality** investments
  - **Steady growth** of dividend and **net asset value per share**
  - **Value preservation** by investing in **high quality, polyvalent** and very **well located** buildings with development potential
  - Accurate **risk management**
- **Value creation** for our **clients** by offering **flexible** and **creative** real estate solutions
- Focus on **property management** - Focus on “**Montea**” **concept** to build the “**Logistics of the future**”



## What we promised for 2008...?

- Hedging the interest risk
- Focus on “core business”
- Become a reference player in Belgium and France
- Diversification of real estate portfolio in new attractive locations
- Increase debt leverage
- Business development in France
- Anticipation of sustainable development
- Increase of dividend
- Branding, new website, CRM system, Property Management System → Increase operational & commercial efficiency

## What we delivered in 2008...?

- Hedging the interest risk
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## What we delivered in 2008...? (see also press release)

- **Strong increase of the net current result (+ 28.0%)** up to **EUR 8,446,167 (EUR 2,36 per share)** towards **EUR 6,596,174 (EUR 2,31 per share)** at 31/12/2007
- **Increase of rental income (+39.4%)** up to **EUR 14 Mio** towards **EUR 10 Mio** at 2007
- **37.5% increase** in the **pay-out** result to **EUR 9,132,940 (EUR 2.55 per share)**
- **53.4% increase** in the **fair value** of the property portfolio, i.e. from **EUR 137.4 Mio** to **EUR 210.8 Mio**
- **3.58% reduction in value** of the property portfolio (by steady compounding)
- **Occupancy rate of 96.24%**
- **Net result** amounts to **EUR -7,76 Mio (EUR -2.16 per share)** compared to **EUR 11.8 Mio (EUR 4,14 per share)** at 31/12/2007
- **Debt ratio** of **52.8%** at 31/12/2008
- Confirmation of the **5% increase** in proposed **dividend** for 2008 to **EUR 2.09 gross** per share
- Cautious **pay-out ratio** of pay-out result (**82%**)



## Outlook for 2009 ...?

- Crisis = New opportunities
- “Small is Beautiful”
- Lot of projects in Supply Chain Sector
- Importance of being Focused, Flexible, Transparent, Quick and Innovative



## Montea in 2009 ...

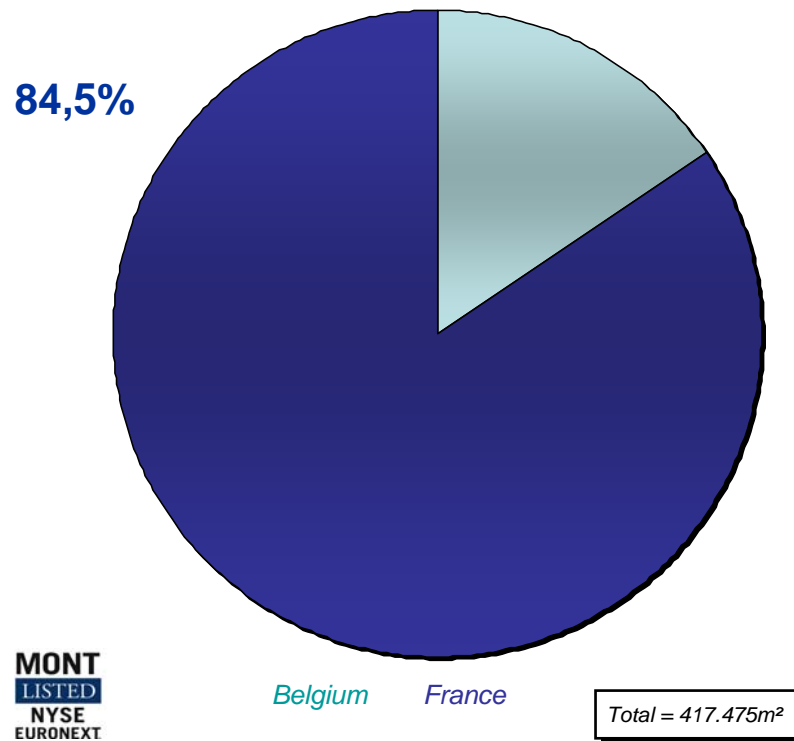
- **Prudent growth** of real estate portfolio
- Focus on “**risk reduction**”
  - o Diversification & selection of clients
  - o Increase the quality of real estate portfolio
  - o Increase the avg duration of leases
  - o Hedging interest rates
  - o No speculative development
- Building partnerships
- Debt fully hedged at **4,59%**
- Available financing of **EUR 17,6 Mio** & no maturity dates of credit lines before Oct. 2011
- **62.000 m<sup>2</sup>** development potential on existing sites
- Equivalent dividend as 2008



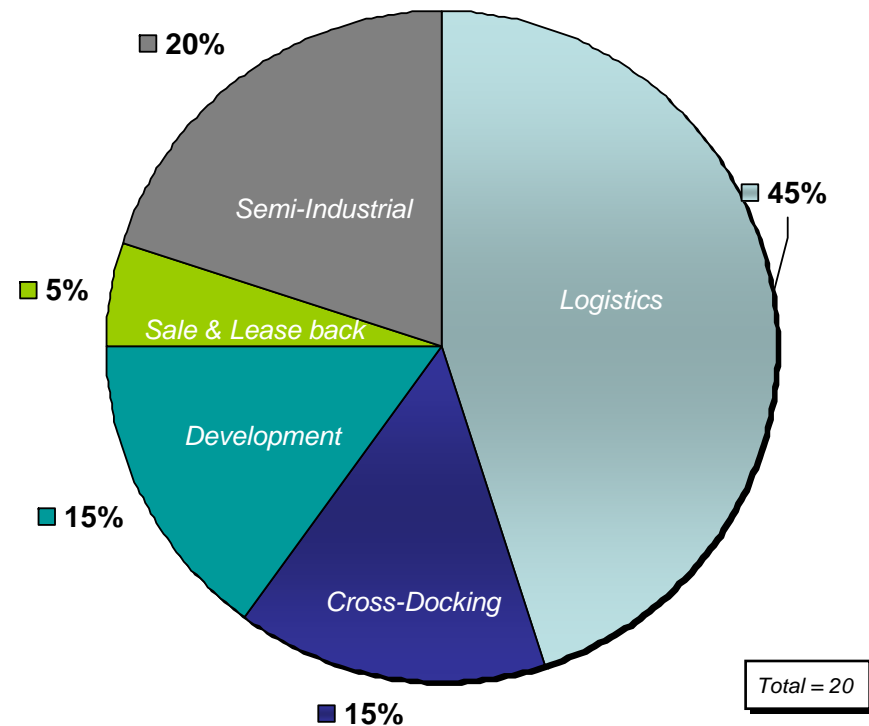
## KPI's Investment Pipeline

- 16 Active Investment Files for a total of 417.475m<sup>2</sup>
- 20 new investment files since last Reporting (8 in BE and 12 in France)

Geographical Repartition m<sup>2</sup> investment Pipeline (%)



Repartition of new number of files per sector





## Achievements 2008:KPI's Real Estate Portfolio

		2008	Var. vs LY
Number of sites		<b>32</b>	<b>33,3%</b>
Total Surface	M <sup>2</sup>	<b>366.059</b>	<b>35,0%</b>
Development Potential	M <sup>2</sup>	<b>62.197</b>	<b>42,8%</b>
Fair Value of Real Estate Portfolio	K€	<b>210.789</b>	<b>53,4%</b>
Investement Value of Real Estate Portfolio	K€	<b>218.369</b>	<b>53,5%</b>
Contracted Rental Income	K€	<b>16.518</b>	<b>48,4%</b>
Gross Yield	%	<b>7,84%</b>	<b>-3,2%</b>
Gross Yield (if 100% rented)	%	<b>8,14%</b>	<b>-2,2%</b>
Surface not rented	M <sup>2</sup>	<b>16.179</b>	<b>75,0%</b>
ERV of not rented surfaces	K€	<b>646</b>	<b>105,6%</b>
Occupation Rate (as % of m <sup>2</sup> )	%	<b>95,58%</b>	<b>-1,0%</b>
Occupation Rate (as % total ERV)	%	<b>96,24%</b>	<b>-0,8%</b>

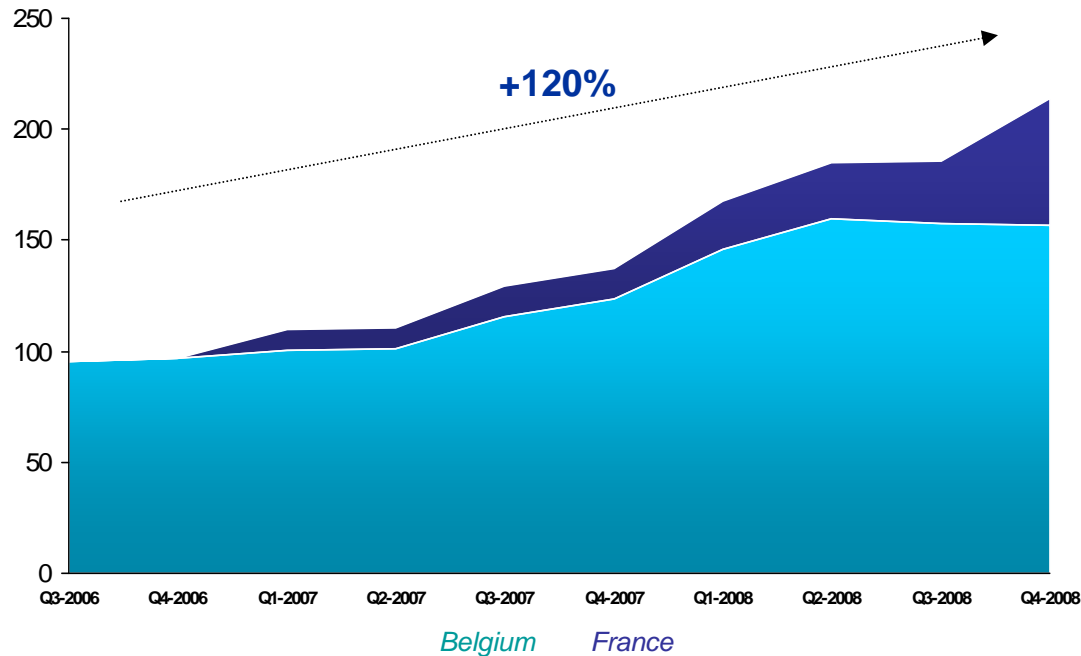
(1) Comparison with last year 12 months, not audited. First official year of Montea Comm. VA was 15 months, from 1/10/2006 till 31/12/2008

## Achievements 2008: Financial KPI's

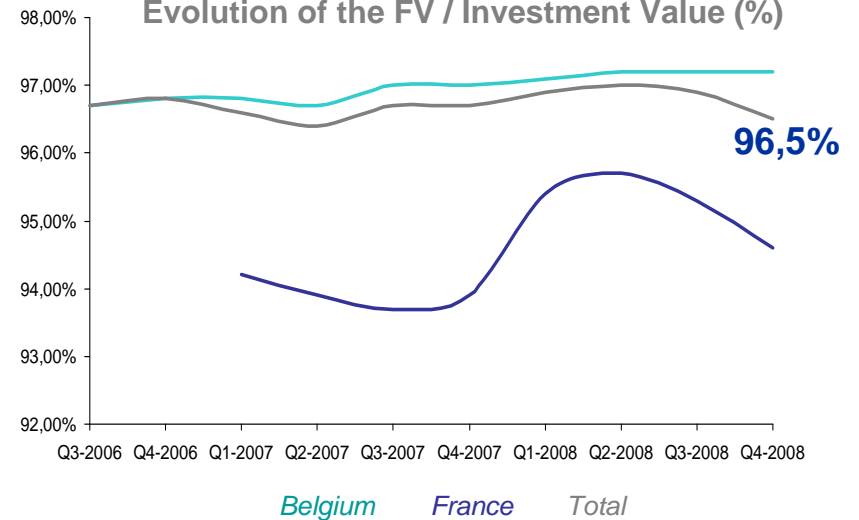
		2008	Var. vs LY <sup>(1)</sup>	
Rental Result	K€	<b>14.024</b>	39,4%	➤
Real Estate Result	K€	<b>13.828</b>	36,9%	
Operational Result before Result on Real Estate Portfolio	K€	<b>11.483</b>	41,7%	
Operational Margin	%	<b>83,0%</b>	3,5%	➤
Variation in Market Value of Real Estate Portfolio	K€	<b>-10.046</b>	-330,9%	
Financial Result	K€	<b>-9.800</b>	1270,5%	
Variation in Value of financial Coverage instruments (IAS 39)	K€	<b>-6.792</b>	-887,9%	➤
Net Financial Result (excl. IAS 39)	K€	<b>-3.009</b>	90,8%	➤
Net Result	K€	<b>-7.756</b>	-165,7%	➤
Net Current Result (excl. IAS 39)	K€	<b>8.446</b>	28,0%	
Net Result / Share	€	<b>-2,16</b>	-152,3%	➤
Net Current Result / Share	€	<b>2,36</b>	2,0%	➤
Equity and Minority Participation	K€	<b>102.644</b>	15,6%	
Debts and other liabilities (for calculation of debt ratio)	K€	<b>118.349</b>	117,7%	
Debt Ratio	%	<b>52,8%</b>	39,6%	➤
Net Actif / Share	€	<b>28,60</b>	-7,9%	➤

## Evolution of KPI's Real Estate Portfolio(2/4)

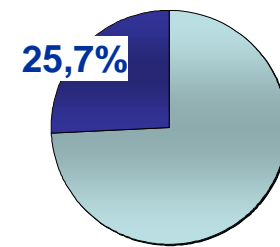
Evolution of the FV (EUR Milj.)



Evolution of the FV / Investment Value (%)



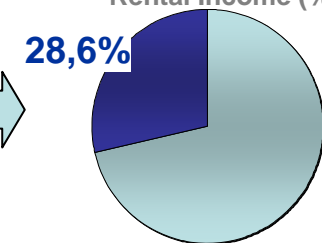
Geographical Repartition FV (%)



Belgium France

Total = EUR 210,8 Milj.

Repartition Contracted Rental Income (%)



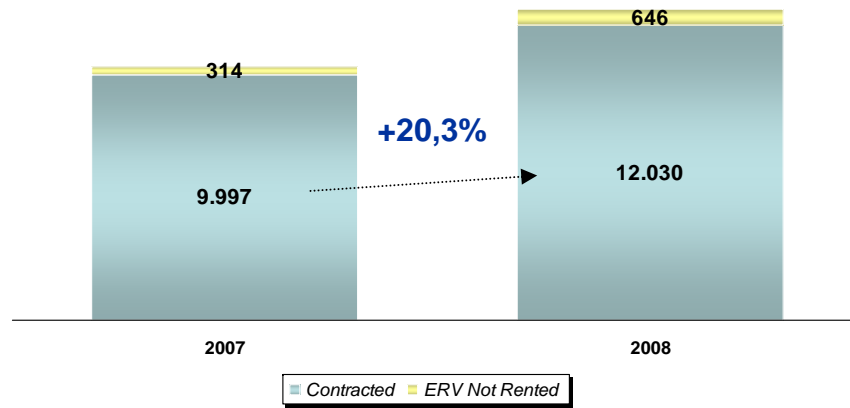
Belgium France

Total = EUR 16,5 Milj.

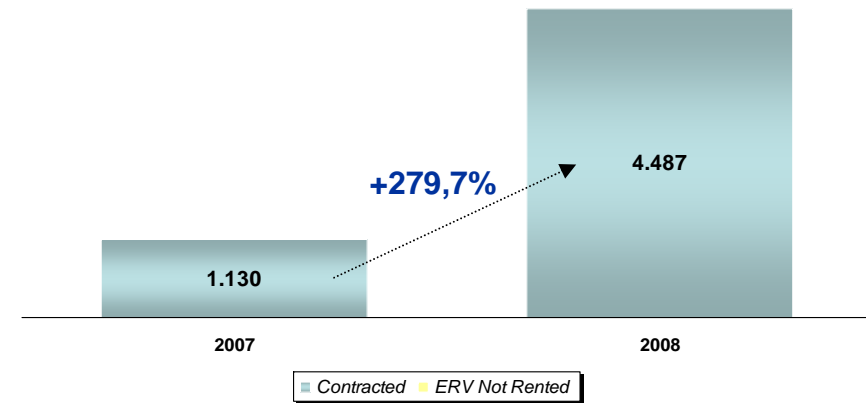
- Increase of FV by **120%** from IPO onwards
- FV **96,5%** of Investment Value
- French Portfolio increased to **> 25%** of total portfolio

## Evolution of KPI's Real Estate (4/4)

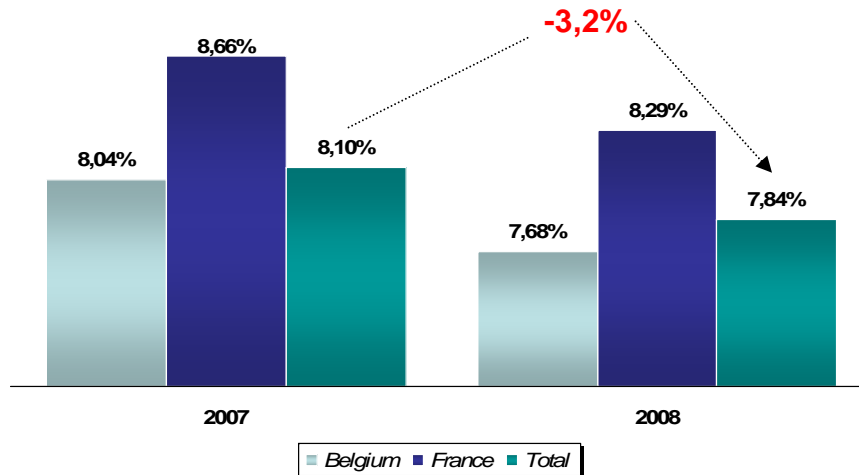
Evolution of Rent Income Belgium (K EUR)



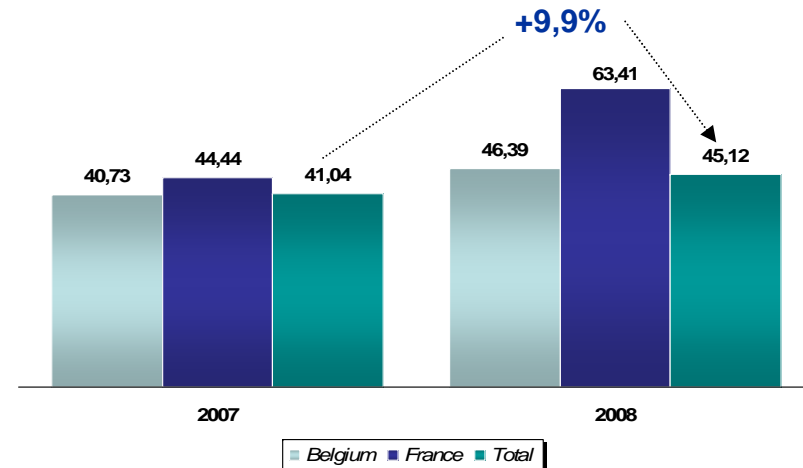
Evolution of Rent Income France (K EUR)



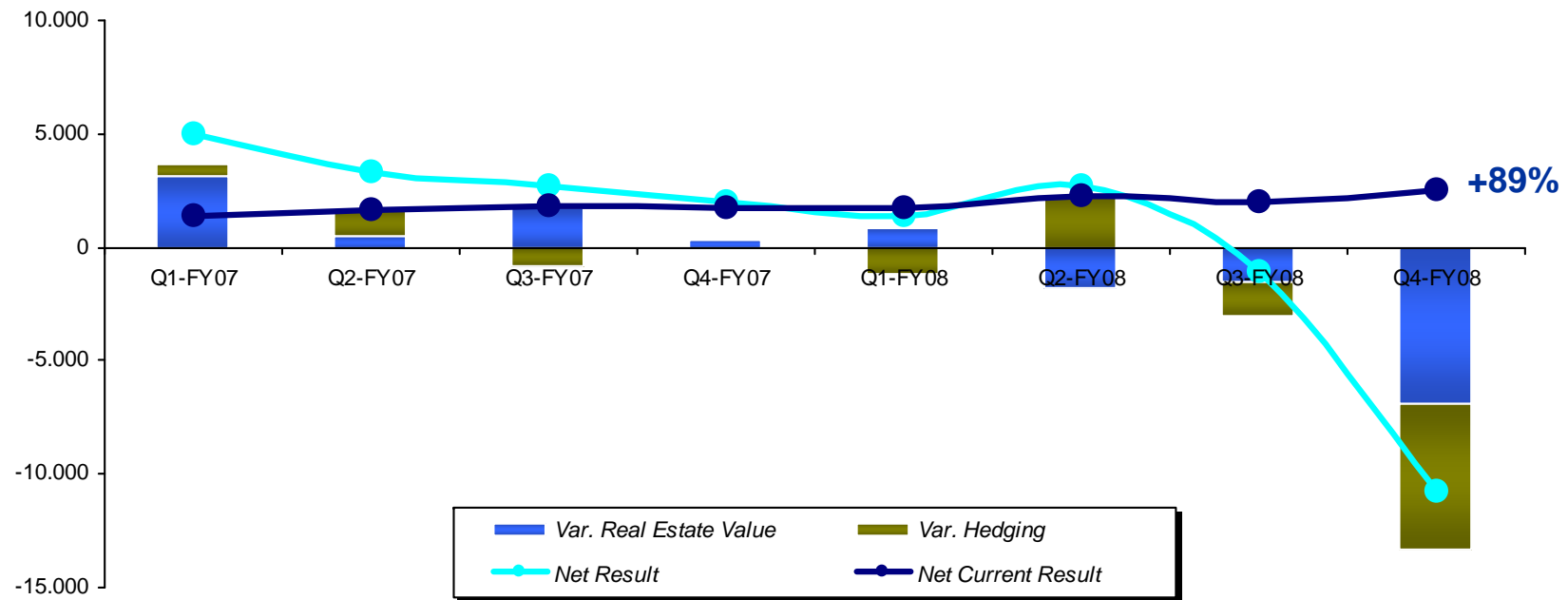
Evolution of Gross Yield (%)



Evolution of EUR /m<sup>2</sup>



## Evolution of Net Result vs. Net Current Result (K EUR)



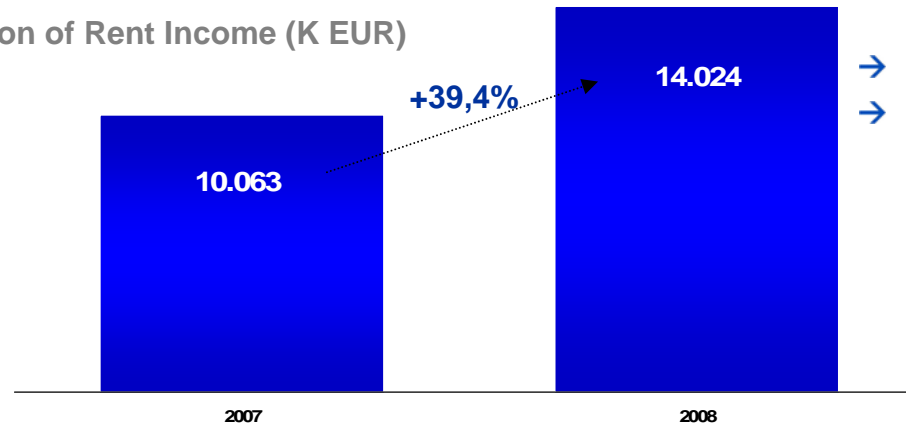
Net Result	11.809		-7.756
Net Current Result	6.596	+28%	8.446

- Steady growth of Net Current Result with **89%** from Q1-2007 till Q4-2008
- **EUR 16,2 Mio** difference between Net Current Result and Net Result (**EUR 9,4 Mio** on Variation in value Portfolio, **EUR 6,7 Mio** on variation in financial coverage instruments)
- **82%** of IAS 39 and IAS 40 in Q4 FY2008



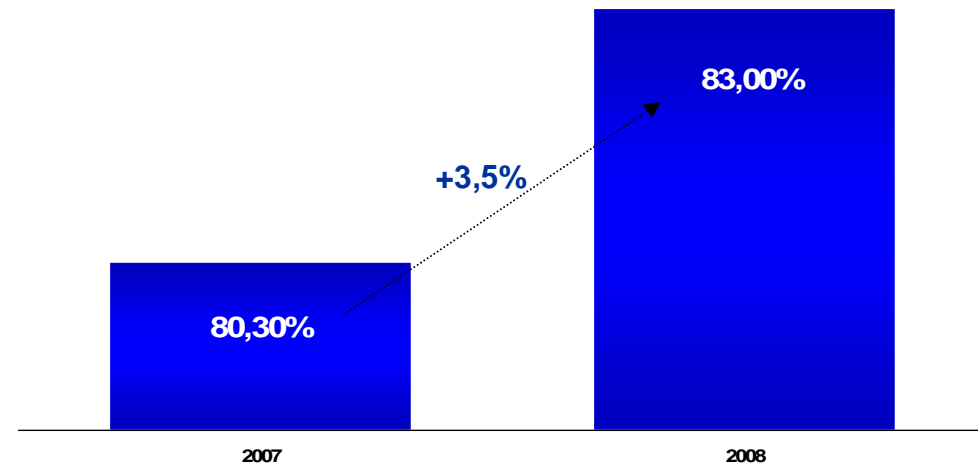
## Evolution of Rent Income & Operational Margin

Evolution of Rent Income (K EUR)



- 39,4% increase in turnover
- Between 4,7% (Petercam) and 5,4% (ING) more than what market expected

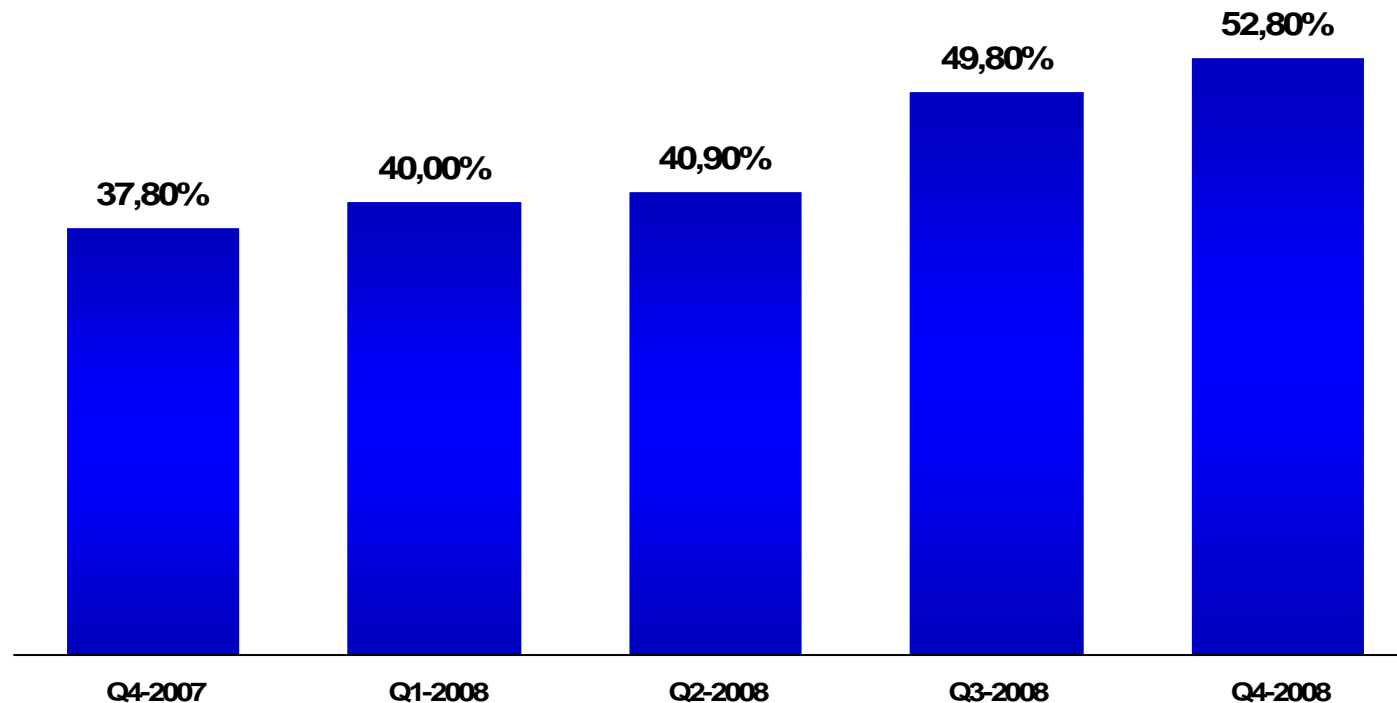
Evolution of Operational Margin (%)



- 3,4% increase of Operational efficiency due to Economy of Scales and Cost Awareness Program
- **Operational Margin:** Operational Result (before Result on Real Estate) / Real Estate Result



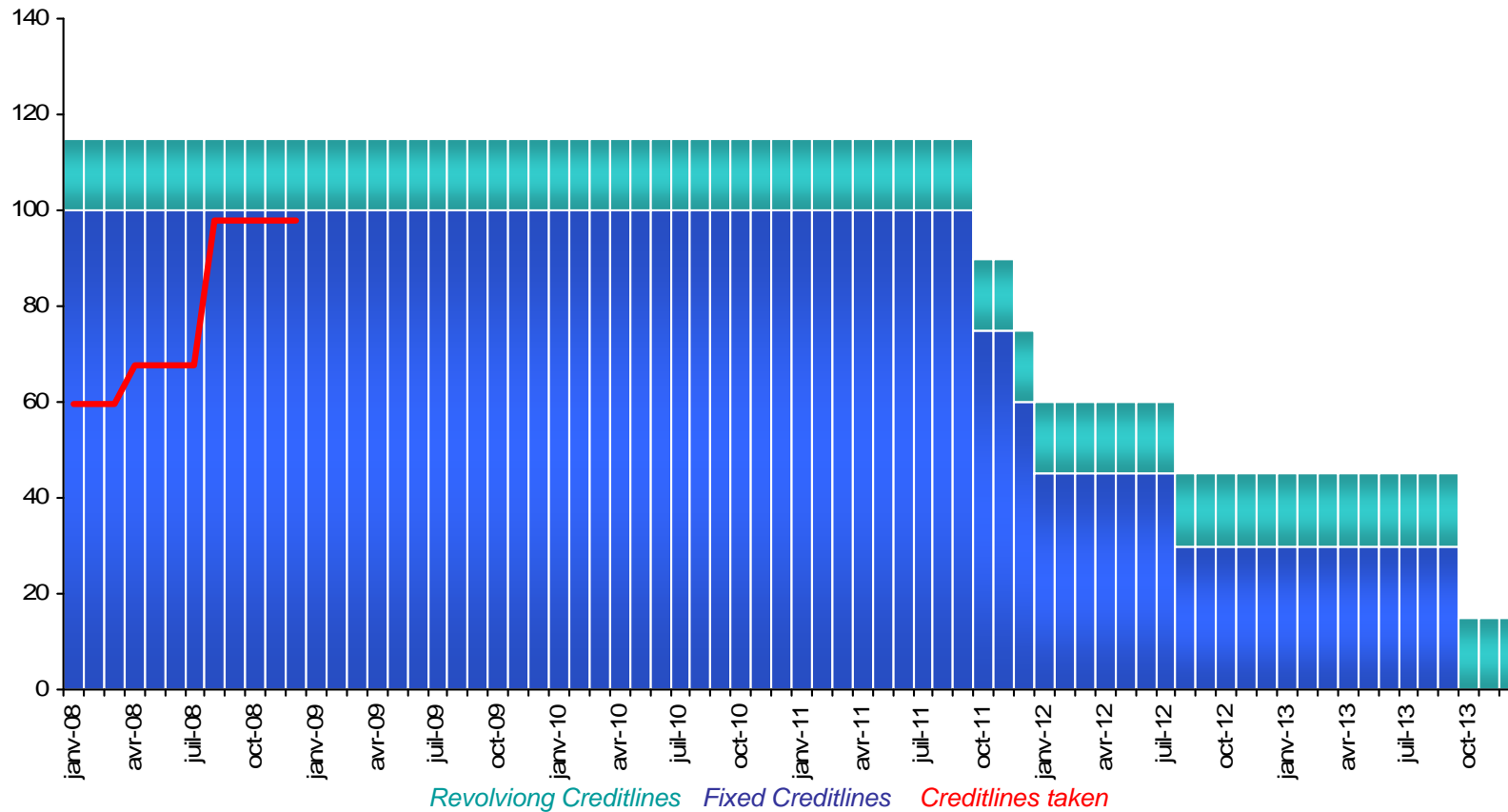
## Evolution Debt Ratio (%)



- Taking into account a cap of **65%** debt ratio, Montea has still a capacity of **EUR 78,5 Milj.** to invest (not taking into account the future results)
- Montea has a total of **EUR 115 Milj.** creditlines contracted of which **EUR 97,8 Milj.** is used and fully covered by IRS contracts
- No breach of covenants of banks only from **65%**
- If Real estate valuation drops by **5%**, Debt ratio increases with **2,5%** (without taking into account of any other elements)

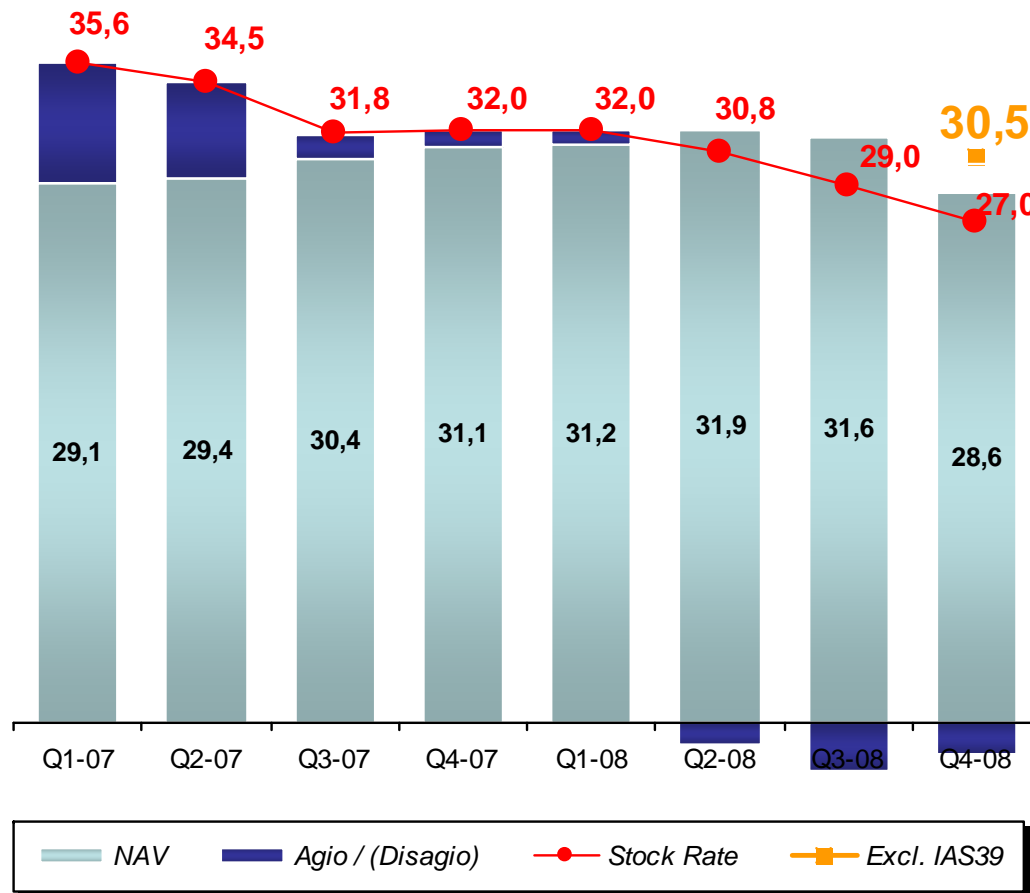


## Overview of Debt Financing (EUR Mio)



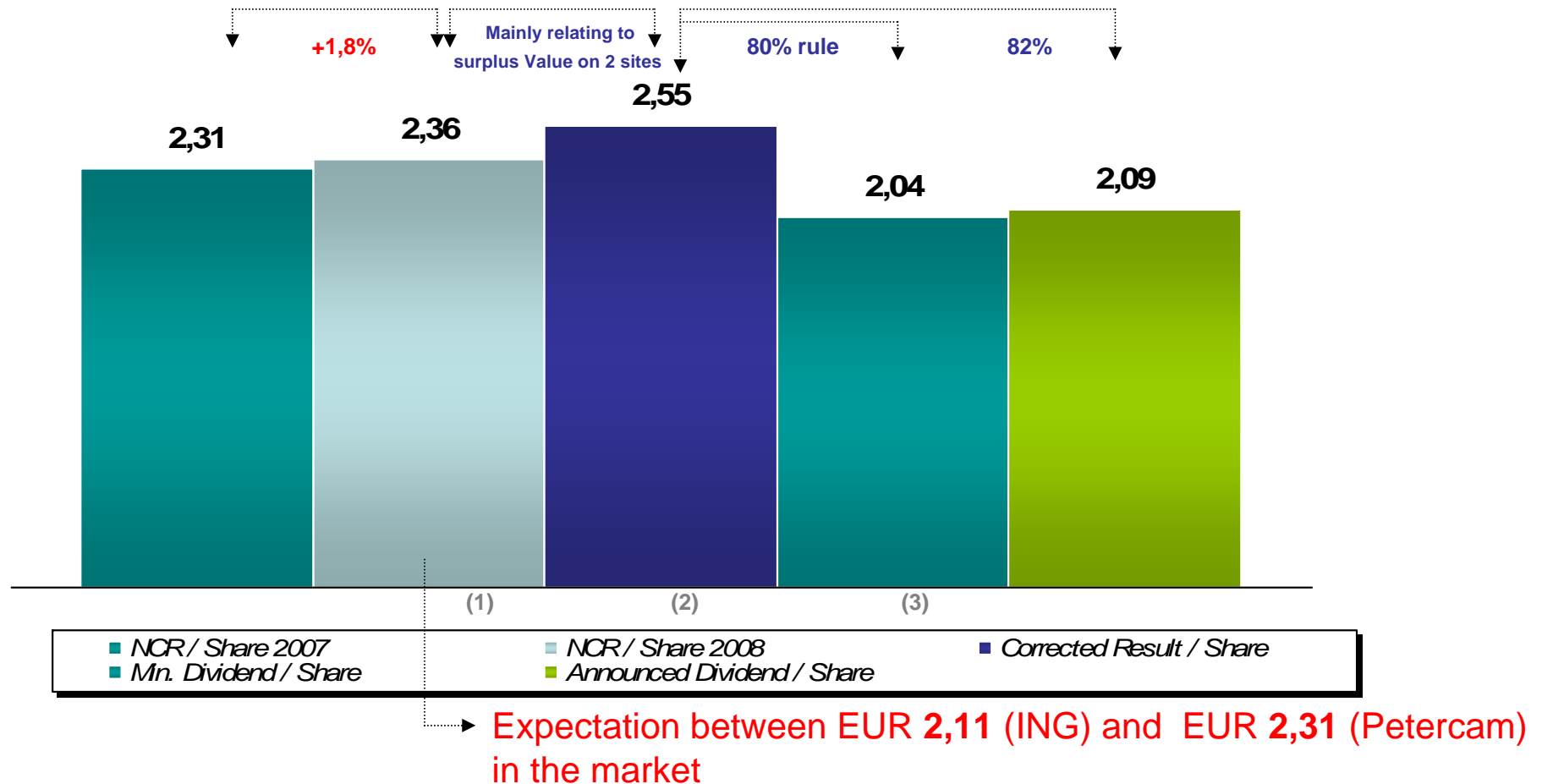
- **EUR 97,6 Mio** credit lines taken (**85%** of contracted Creditlines)
- No maturity dates of contracted creditlines before **Oct. 2011**
- Total creditlines for **100% hedged** via IRS (« Interest Rate Swaps »)
- Average Finance cost of **4,59%**

## Evolution Net Asset Value / Share vs. Stock Rate (EUR)



- At the end of 2008, Montea notes with a Disagio of **5,6%**
- Increase of Net Asset Value / Share with **8,6%** till Q3 FY2008, than **9,5%** decrease in 1 quarter (due to IAS 39 and IAS 40)

## From Net Current Result / Share → Dividend per share (EUR)



- (1) NCR: Net Current Result: Net Result except variation of value in portfolio and variation of value in financial instruments  
 (2) Corrected Result: Net Current Result except taking into account the positive value on sites sold and except the depreciations and amortizations – Basis for calculation of Dividend  
 (3) Min. Dividend: taking into account the 80%



# Thank you!



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