

SPACE FOR GROWTH



REGULATED INFORMATION
INTERIM STATEMENT FROM 01/01/2014 TO 31/03/2014
UNDER EMBARGO UNTIL 15/05/2014 – 8.45 AM

→ **NET OPERATING RESULT OF EUR 3.54 MILLION – GROWTH OF 6.3% COMPARED WITH Q1 2013**

- OCCUPANCY RATE OF 95%
- AVERAGE LEASE TERM UNTIL THE FIRST BREAK OPTION: 5.8 YEARS
- OPERATING MARGIN 82.8%
- AVERAGE FINANCIAL CHARGE 3.9%

→ **GROWTH ALREADY ANNOUNCED IN THE PROPERTY PORTFOLIO IN 2014 TOTALLING EUR 80 MILLION**

→ **GROWTH ANNOUNCED FUNDED BY:**

- DIVERSIFICATION OF DEBT THROUGH THE ISSUE OF A BOND LOAN FOR A MINIMUM OF EUR 30 MILLION
- POSSIBLE STRENGTHENING OF THE BALANCE SHEET STRUCTURE VIA A CAPITAL RAISING WITH PREFERENTIAL SUBSCRIPTION RIGHTS OF APPROXIMATELY EUR 50 MILLION

Summary

- **Montea's net operating result was EUR 3.54 million (EUR 0.52 per share), which was an increase of 6.3% compared with EUR 3.33 million during the same period of last year (EUR 0.52 per share).**

This rise of 6.3% was mainly the result of the 13.2% increase in the property result before the result on the property portfolio (operating margin).

The operating margin was 82.8%, compared with 83.9% for the same period last year.

The financial cash result rose by 30% (EUR 0.42 million) to EUR 1.79 million, caused mainly by the increase in the average debt of over 20% (EUR 31.29 million).

The average financial charge was 3.9%.

- **The occupancy rate was 95% and is in line with the objective for 2014. The average lease term (until the first break option) was 5.8 years.**
- **Growth already announced in the property portfolio totalled EUR 80 million.**

The fair value of the property portfolio was EUR 344.0 million. During the first quarter, the fair value of the property portfolio rose by EUR 24.5 million. This was due, in the main, to (i) the finalisation of the purchase in Puurs, at 28 Schoonmansveld, with a fair value of EUR 7.9 million, and (ii) by the purchase of a 2nd property in the Netherlands (in Waddinxveen, leased for a fixed term of 15 years to Delta Wines), for a fair value of EUR 12.7 million.

Based on the partnership agreement with MG Real Estate, Montea has committed itself, subject to the usual suspensive conditions, to acquire 3 build-to-suit projects at MG Park De Hulst in Willebroek (Belgium) when they are completed, with a total investment value of EUR 35.8 million.

Montea has also begun the development of 2 build-to-suit projects at its own sites: in Vorst (Belgium) for Metro and in Grimbergen (Belgium) for Caterpillar Logistics (50/50 Montea/WDP), representing a total additional investment value of EUR 11.0 million.

Finally, Montea has begun the development of a build-to-suit project for Vos Logistics in Oss (Netherlands), which has an investment value of EUR 12.9 million.

- **Funding the growth announced**

Montea's debt ratio is 55.1%. To continue financing the projects mentioned above, Montea is planning the issue of a bond loan for a minimum of EUR 30 million in the second quarter of 2014.

Montea is also considering a capital raising with preferential subscription rights of approximately EUR 50 million by issuing new shares.

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1. Key figures

		BE	FR	NL	31/03/2013 3 months	31/12/2013 12 months	31/03/2013 3 months
Real estate portfolio							
Real estate portfolio - Buildings							
Number of sites		20	15	2	37	35	32
Surface of the real estate portfolio							
Logistics and semi-industrial warehouses	M ²	320.032	203.375	42.817	566.224	535.352	466.042
Offices	M ²	35.098	15.291	2.480	52.869	49.342	48.725
Total surface	M²	355.130	218.666	45.297	619.093	584.694	514.767
Development potential	M ²	47.766	38.830	6.055	92.651	90.500	90.500
Value of the real estate portfolio							
Fair value (1)	KE	189.021	118.945	28.500	336.466	311.936	283.796
Investment value (2)	KE	193.934	126.766	30.334	351.033	324.815	295.420
Occupancy rate							
Occupancy rate (3)	%	90,91%	100,00%	100,00%	95,03%	94,9%	96,00%
Real estate portfolio - Solar panels							
Fair value (1)	KE	7.541	0	0	7.541	7.590	7.732
Consolidated results							
Net current result							
Net rental result	KE				6.436	23.659	5.617
Operating result (4)	KE				5.330	19.892	4.711
Operating margin (5)	%				82,8%	84,1%	83,87%
Financial result	KE				-1.791	-6.206	-1.376
Net current result (6)	KE				3.539	13.494	3.329
Number of shares entitled to the result of the period					6.808.962	6.587.896	6.448.274
Net current result / share	€				0,52	2,05	0,52
Non-current result							
Result on the real estate portfolio (7)	KE				1.239	-3.022	-191
Result on financial derivatives (8)	KE				-2.804	5.497	1.291
Net result	KE				1.974	15.969	4.429
Number of shares entitled to the result of the period					6.808.962	6.587.896	6.448.274
Net result / share	€				0,29	2,42	0,69
Consolidated balance sheet							
Equity (excl. minority participations)	KE				140.798	138.869	128.048
Debts and liabilities for calculation of debt ratio	KE				203.721	179.472	157.852
Balance sheet total	KE				369.688	339.797	310.705
Debt ratio (9)	%				55,1%	52,8%	50,8%
Net asset value / share	€				20,68	20,39	19,86
Net asset value / share (excl. IAS 39)	€				23,12	22,43	22,65
Share price	€				32,08	31,65	30,80
Premium / (discount)	%				38,8%	41,1%	36,0%

(1) Book value in accordance with IAS/IFRS rules.

(2) Value of the portfolio without deducting transaction costs.

(3) Occupancy rate, based on m². In calculating this occupancy rate, neither the non-lettable m² intended for redevelopment nor the land bank were taken into account in either the numerator or the denominator.

(4) Result before the result on the property portfolio.

(5) The operating result before the result on the property portfolio divided by the net rental result.

(6) Net result excluding the result on the portfolio (code XVI, XVII and XVIII of the profit-and-loss account) and excluding the variation in the values of the financial hedging instruments.

(7) Negative and/or positive variations in the fair value of the property portfolio + any losses or profits resulting from the realisation of property.

(8) Negative and/or positive variations in the fair value of the rate hedging instruments in accordance with IAS 39.

(9) Debt ratio in accordance with the Royal Decree of 7th December 2010.

(10) Share price at the end of the financial year.

2. Significant events and transactions during Q1 2014

2.1. Investment activity during Q1 2014

- **7th February 2014 – Purchase of a logistics distribution centre of approximately 19,500 m² in Waddinxveen (NL)**¹

Montea has acquired a logistics distribution centre on land of 25,800 m², located in Waddinxveen along the A12 (with connections to The Hague–Utrecht–Arnhem–the Ruhr). The distribution centre consists of 14,100 m² of warehousing, 2,560 m² of mezzanine space and approximately 2,800 m² of office space. The building is equipped with 17 loading docks. The site offers further expansion potential of 6,000 m². The transaction was brokered by Cushman & Wakefield. The building is leased for a fixed term of 15 years to Delta Wines, a European wine distributor that plays a leading role in the Dutch market. The distribution centre will also serve to supply Central Europe.



Montea "Space for Growth" - site at Waddinxveen (NL)

- **25th February 2014 – Finalisation of the purchase of a site in Puurs, 28 Schoonmansveld (Belgium)**²

On 25/02/2014, Montea finalised the purchase of a site in Puurs. The building is situated on 30,600 m² of land and includes a modern warehouse of 12,000 m² and 1,600 m² of office space. The site is particularly well located in the Pullaar logistics zone, with fast connections to both the A12 Brussels/Antwerp motorway and the N16 A-road to the E17 motorway.

Montea is investing in this property based on an initial yield of 8.15%, representing an investment value of EUR 7.9 million.



Montea "Space for Growth" – Site at Puurs, 58 Schoonmansveld

Montea has received a rental guarantee of 9 months (until 24/11/2014) and is confident that the site will be fully leased before this date expires.

¹ For more information, please see our press release dated 7/02/2014 or visit www.montea.com.

² For more information, please see our press release dated 20/06/2012 or visit www.montea.com.

2.2. Development activity during Q1 2014

- **7th February 2014 – Partnership agreement with Van der Maazen Bouwbedrijf for the development of a sustainable build-to-suit project of approximately 25,600 m² on industrial land in Oss (NL)**³

Montea and Vos Logistics have signed an agreement for the construction and lease of a new European Distribution Centre on the “De Geer” industrial estate in Oss. After a lengthy tendering procedure, the joint build-to-suit project by Van der Maazen (turnkey contractor) and Montea (final investor) was selected as the winner. The site covers approximately 35,000 m². The building will consist of some 24,300 m² of warehousing, 680 m² of office space and a mezzanine area of 800 m². The platform will be operational by 1st October 2014. The transaction was brokered by Cushman & Wakefield.



Montea “Space for Growth” - site at Oss (NL)

Montea will acquire this property on handover, subject to a number of the usual suspensive conditions being met. The building is leased for a fixed term of 7 years and three months to Vos Logistics, an independent European logistics service-provider, which offers a wide range of transport and customer-specific logistics services.

This transaction represents a total investment value of EUR 12.9 million and will generate an additional rent of EUR 1.01 million per year, based on an initial gross yield of 7.9%.

- **7th February 2014 – Portfolio in Belgium grows by EUR 16.6 million through the start of a 9,000 m² build-to-suit project at MG Park De Hulst and a second project 3,500 m² in Vorst**³

Beginning of a build-to-suit project for Dachser at MG Park De Hulst

In December 2013, Montea signed a partnership agreement with MG Real Estate (De Paepe Group) to develop the sustainable “MG Park De Hulst” logistics park in Willebroek. The partners announced their first joint project with the development for Dachser. The parties have signed a long-term lease agreement for a fixed term of 20 years. This means an extension of 5 years with regard to the lease period previously announced.

The development of the first plot extends to approximately 37,800 m². This will include a build-to-suit crossdock building with some 6,800 m² of warehousing and around 2,300 m² of office space. The building will be extended by 1,700 m² in phase two of the project. The crossdock building will become operational during the third quarter of 2014. Montea will acquire this property on handover, subject to a number of the usual suspensive conditions being.



Montea “Space for Growth” - site at MG Park De Hulst - Dachser (BE)

³ For more information, please see our press release dated 7/02/2014 or visit www.montea.com.

Start of a build-to-suit project for Metro in Vorst

In 2008, Montea purchased the Unilever site in Vorst. This site is one of the few strategic industrial and logistical sites in the Brussels Capital Region (borough of Vorst) on the Brussels outer ring road. The site has a floor area of approximately 87,000 m² and at the time of purchase consisted of 8 different buildings, with Unilever as the main tenant. As part of the dynamic management of its property portfolio, Montea decided in 2013 to demolish the oldest building of approximately 14,000 m² and develop a new, sustainable project.



Montea "Space for Growth" – site at Vorst - Metro (BE)

In phase one, Montea will develop a build-to-suit distribution centre for Metro, with total floor space of 3,500 m². The works have already begun and the new distribution centre is scheduled to become operational in September 2014. The lease agreement is for a fixed term of 27 years. This transaction was brokered by Colliers International.

These two transactions in Belgium represent a combined total investment value of EUR 16.4 million (excl. land value for Metro project already in the portfolio of Montea) and will generate an additional rental income of EUR 1.52 million per year, based on an initial gross yield of 7.7%.

2.3. Divestment activity during Q1 2014

There were no divestments during the first quarter.

2.4. Lease activity during Q1 2014

- **19th February 2014 – New lease agreement signed with Caterpillar Services Europe for the site in Grimbergen⁴ (BE)**

Montea and WDP have signed a lease agreement with Caterpillar Distribution Services Europe for a term of 9 years, commencing on 1st January 2015, for the site in Grimbergen, which the two companies will hold jointly.



Montea "Space for Growth" - site at Grimbergen (BE)

Montea and WDP will partly redevelop and expand the site into a strategic logistical hub of approximately 60,000 m² in consultation with Caterpillar Distribution Services Europe. Some 29,500 m² of warehousing and 2,350 m² of office space will be refurbished, while approximately 30,000 m² of new warehouse space will be developed at the site. This site in Grimbergen enjoys the ideal multimodal location alongside the canal and in the vicinity of the container terminal in Vilvoorde, making it ideal for sustainable logistics.

⁴ For more information, please see our press release dated 19/02/2014 or visit www.montea.com.

➤ **17th March 2014 – Long-term lease agreement signed with Essentra Components in Roissy-en-France (FR)**


Montea and Essentra Components have signed a long-term lease agreement for a term of 9 years and 6 months for +/- 4,000 m² of warehousing at the site in Roissy-en-France.

Essentra Components was formerly Moss Express, which was already the tenant at Montea's site in Le-Mesnil-Amelot, was looking for a bigger building in the vicinity of Charles de Gaulle airport (Paris).

Essentra Components produces and distributes protective and finish products for a wide range of industries and applications.

3. Value and composition of the property portfolio at 31/03/2014

- The fair value of the total property assets was EUR 343.9 million, made up on the one hand by the value of the property portfolio – buildings (EUR 336.4 million) and on the other hand by the value of the solar panels (EUR 7.5 million)

	Total 31/12/2013	Begium	France	Netherlands	Total 31/12/2013
Real estate portfolio - Buildings					
Number of sites	37	20	15	2	35
Warehouse space (m ²)	566.224	320.032	203.375	42.817	535.352
Office space (m ²)	52.869	35.098	15.291	2.480	49.342
Total space (m ²)	619.093	355.130	218.666	45.297	584.694
Development potential (m ²)	92.651	47.766	38.830	6.055	90.500
Fair value (EUR)	336.466.000	189.021.000	118.945.000	28.500.000	311.936.000
Investment value (EUR)	351.033.313	193.933.882	126.765.747	30.333.684	324.814.965
Annual contractual rents (EUR)	27.113.246	14.494.002	10.486.081	2.133.163	26.047.883
Gross yield (%)	8,06%	7,67%	8,82%	7,48%	8,35%
Gross yield on 100% occupancy (%)	8,41%	8,30%	8,82%	7,48%	8,73%
Un-let property (m ²)	28.981	28.981	0	0	28.981
Rental value of un-let property (EUR)	1.199.428	1.199.428	0	0	1.199.428
Occupancy rate (% of m ²)	95,03%	90,91%	100,00%	100,00%	94,85%
Occupancy rate (% of rental value)	95,57%	91,91%	100,00%	100,00%	95,28%
Real estate portfolio - Solar panels					
Fair value (EUR)	7.541.165	7.541.165	0		7.590.069


The fair value of the investment in solar panels is shown in section "D" of the fixed assets in the balance sheet.

- ✓ The **total floor space** of the property portfolio – buildings was 619,093 m², spread across 20 sites in Belgium, 15 sites in France and 2 sites in the Netherlands.
- ✓ Montea also has a total land bank of approximately 93,000 m² of **development potential** at existing sites.
- ✓ The **fair value of the property portfolio assuming unchanged composition** (excluding any new investments or divestments, as described above), based on the valuation by the independent property assessor, rose by 1.0% (EUR 3.0 million) during the first quarter of 2014. This was due mainly to the fall in the investment yield at a number of sites in France, the positive variations at 2 sites in the Netherlands and the annual contractual indexation of the rental income.
- ✓ The **gross property yield** on total property investments – buildings was 8.4%, based on a fully leased portfolio, compared with 8.7% at 31/12/2013.
- ✓ **Contractual annual rental income** (excluding rent guarantees) was EUR 27.1 million, a rise of 4.1% compared with 31/12/2013. This was attributable mainly to the acquisition of the site in Puurs, at 28 Schoonmansveld (BE) and the site at Waddinxveen (NL).
- ✓ The **occupancy rate** was 95.0%⁵. The biggest vacancies are at the sites in Nivelles (14,034 m²) and Herentals (14,596 m²) in Belgium.

⁵ The occupancy rate is calculated based on the m² occupied in relation to the total m². In this calculation, projects under (re)development are not taken into account in either the numerator or the denominator.

4. Summary of the abbreviated consolidated financial statements for the first quarter ending 31/03/2014

4.1. Abbreviated consolidated profit-and-loss account (analytical) for the first quarter ending 31/03/2014

 ABBREVIATED CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR) Analytical	31/03/2014 3 months	31/03/2013 3 months
CURRENT RESULT		
NET RENTAL RESULT	6.436	5.617
PROPERTY RESULT	6.563	5.686
% compared to net rental result	102,0%	101,2%
TOTAL PROPERTY CHARGES	-365	-196
PROPERTY OPERATING RESULT	6.198	5.490
General corporate expenses	-866	-792
Other operating income and expenses	-2	12
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	5.330	4.711
% compared to net rental result	82,8%	83,9%
FINANCIAL RESULT	-1.791	-1.376
PRE-TAX RESULT (*)	3.540	3.335
Taxes	0	-6
NET CURRENT RESULT	3.539	3.329
<i>per share</i>	0,52	0,52
NON-CURRENT RESULT		
Result on disposals of investment properties	0	0
Result on disposals of other non-financial assets	0	0
Changes in fair value of investment properties	1.239	-191
Other portfolio result	0	0
PORTFOLIO RESULT	1.239	-191
Changes in fair value of financial assets and liabilities	-2.804	1.291
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	-2.804	1.291
NET RESULT	1.974	4.429
<i>per share</i>	0,29	0,69

4.2. Notes to the abbreviated consolidated profit-and-loss account (analytical) for the first quarter ending 31/03/2014

- ✓ **The net rental result was EUR 6.44 million (+14.6%) – Increase in the operating result before the result on the property portfolio (+13.2%) – Operating margin of 82.8%**

The **net rental result** was EUR 6.44 million, an increase of 14.6% compared with the same period in 2013 (EUR 5.62 million). This rise of EUR 0.82 million was attributable mainly to the rental income in relation to the five investments made in 2013 and two further investments made in the first quarter of 2014.

In 2013:

- Zaventem Brucargo 831 (May 2013), leased to St Jude Medical;
- Ghent Sea Port (June 2013), leased to DSV Solutions;
- Zaventem Brucargo 763 (May 2013), leased to Geodis;
- Ghent Sea Port (December 2013), leased to SAS Automotive;
- Almere Netherlands (October 2013), leased to A-ware Food Group.

In 2014:

- Waddinxveen, Exportweg (January 2014), leased to Delta Wines;
- Puurs, 28 Schoonmansveld (February 2014), including a further rental guarantee of 9 months (until November 2014 inclusive).

The **operating result before the result on the property portfolio** (operating margin) rose from EUR 4.71 million last year to EUR 5.33 million at 31/03/2014. This increase of 13.2% in the operating result before the result on the property portfolio of (EUR 0.62 million) was due mainly to the rise in the net rental result of EUR 0.82 million (see above) and a small increase in the company's property charges and general overheads of EUR 0.24 million.

The **operating margin**⁶ was 82.8%, compared with 83.9% during the same period last year.

- **The financial result (excluding the value of the hedging instruments) was EUR -1.79 million, an increase of 30.2% compared with the same period last year. This was determined by the higher average financial debt**

The **financial result** at 31/03/2014 was EUR -1.79 million, an increase of 30.2% compared with the same period last year (EUR -1.38 million). This was due in the main to the average level of indebtedness rising by EUR 31.29 million. Average financial charges were 3.9% during the first quarter⁷ compared with 3.6% in the same period last year. The higher average financial cost was attributable mainly to the issue of the bond loan in June 2013, with a financial cost of 4.11%.

- ✓ **Negative non-cash result of EUR -1.57 million, due on the one hand to the negative variation in the value of the hedging instruments (EUR -2.80 million) and, on the other, to the positive variation in the value of the property portfolio of EUR 1.24 million)**

The negative variation in the hedging instruments (EUR -2.80 million) was mainly the result of the return to falling long-term interest rates at 31/03/2014 compared with 31/12/2013.

The positive variation in the value of the property portfolio (EUR 1.24 million) was mainly the result of the positive variations in the values of two sites in the Netherlands and a number of adjustments in yields at various sites in France (between 0.20% and 0.70%).

⁶ The operating result before the result on the property portfolio compared with the net rental result.

⁷ This financial cost is an average over the period, including the lease debts in France and Belgium, and was calculated based on the total financial cost compared with the average of the starting balance and final balance for the period.

➤ **Net operating result of EUR 0.52 per share**

The **net operating result** at 31/03/2014 was EUR 3.54 million, which was an increase of 6.3% compared with the same period last year.


➤ **The positive net result was EUR 1.97 million**

The **net result** at 31/03/2014 was EUR 1.97 million (EUR 0.29 per share) compared with EUR 4.43 million for the same period in 2013. The variation in the net result was affected strongly by non-cash results (in the first quarter of last year, there was a negative variation in the value of the property portfolio of EUR -0.19 million, whereas in the first quarter of 2014, there was a positive variation of EUR 1.24 million).

In addition to this, in the first quarter of 2013, there was a positive variation in the value of the hedging instruments, whereas this amount of EUR -2.80 million in the first quarter of 2014.

These variations are not cash costs and have no impact whatsoever on the net operating result.

4.3. Abbreviated consolidated balance sheet at 31/03/2014

 CONSOLIDATED BALANCE SHEET (EUR)	31/03/2014 Conso	31/12/2013 Conso
NON-CURRENT ASSETS	348.601.188	320.347.115
CURRENT ASSETS	21.086.828	19.450.170
TOTAL ASSETS	369.688.016	339.797.286
SHAREHOLDERS' EQUITY	140.895.666	138.966.518
Shareholders' equity attributable to shareholders of the parent company	140.797.659	138.868.511
Minority interests	98.007	98.007
LIABILITIES	228.792.350	200.830.768
Non-current liabilities	184.373.048	158.798.489
Current liabilities	44.419.302	42.032.279
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES	369.688.016	339.797.286

4.4. Notes to the consolidated balance sheet at 31/03/2014

- As of 31/03/2014, **total assets** (EUR 369.69 million) consisted mainly of investment property (92.2% of the total) and solar panels (2.0% of the total). The remaining amount of the assets (5.8% of the total) consisted of intangible, other tangible and financial fixed assets, as well as current assets including cash investments, trading and tax receivables and assets intended for sale.
- **Total liabilities** consisted of equity capital amounting to EUR 140.90 million and total commitments of EUR 228.79 million.

The total commitment of EUR 228.79 million consisted of:

- lines of credit drawn down for EUR 160.50 million;
 - outstanding bond loan of EUR 29.57 million;
 - lease debts yet to be discharged of EUR 5.72 million;
 - the combined negative value of the hedging instruments of EUR 16.63 million;
 - a total amount of EUR 16.37 million in trading debts, other debts and accruals.
- ↳ Montea currently has contracted lines of credit with five Belgian financial institutions totalling EUR 180 million, of which EUR 160.5 million has been drawn down. During 2014 and 2015, EUR 46.67 million and EUR 50 million respectively of lines of credit fall due.
- The **debt ratio**⁸ was 55.1%. The variation in the debt ratio compared with 31/12/2013 was attributable mainly to 2 additional investments made in the first quarter of 2014 (BE-Puurs, 28 Schoonmansveld and NL-Waddinxveen, Exportweg) funded entirely by debt.
 - ↳ Montea also complies with all of the covenants regarding its level of debt agreed with its financial institutions and on the basis of which, Montea is permitted to have a debt ratio of no more than 60%.
 - The **net asset value** at 31/3/2014 was EUR 20.68 per share, but this was also strongly influenced by the negative variation in the fair value of the hedging instruments. If the net negative variation in the fair value of the hedging instruments (IAS 39) is excluded, the net asset value is EUR 23.12 per share.

If we take account of a share price of EUR 32.08 at 31/03/2014, the premium is 38.8% compared with the net asset value, adjusted by the negative variation in the fair value of the hedging instruments.

⁸ Calculated in line with the Royal Decree of 7th December 2010.

5. Significant events since 31/03/2014

➤ **13th May 2014 – Montea grows by EUR 23 million through 2 new build-to-suit projects at MG Park De Hulst in Willebroek (BE)**⁹

As part of the partnership accord with MG Real Estate (De Paepe Group) in relation to the development of the “MG Park De Hulst” sustainable logistics park in Willebroek, an agreement has been signed for the development of a second and third project, specifically for Neovia Logistics Services Belgium and an American multinational, representing a total investment value of EUR 23.0 million.

19,500 m² build-to-suit project underway for Neovia Logistics Services Belgium at MG Park De Hulst

This development encompasses a logistics platform containing 19,000 m² of warehousing, 500 m² of office space and 82 truck spaces. The building, equipped with a sprinkler system and 30 loading docks, will become operational during the third quarter of 2014.

Montea will acquire the property when it is handed over, subject to the usual suspensive conditions. The parties have signed a long-term lease agreement with Neovia Logistics Services Belgium for a term of 10 years.

This transaction represents a total investment value of EUR 13.3 million and will generate additional rent of EUR 1.1 million per year, based on an initial gross yield of approximately 8.1%.

Start of a build-to-suit project of 14,000 m² for an American multinational at MG Park De Hulst

This development is on a plot of land of approximately 20,100 m². It includes a build-to-suit logistics platform with 13,000 m² of warehousing, 1,000 m² of office space and 75 parking spaces. The building will be equipped with a sprinkler system and have 12 loading docks. It will become operational during the third quarter of 2014.

The parties have signed a long-term lease agreement for a term of 15 years.

Montea will acquire this property at the time of handover, subject to the usual suspensive conditions. This transaction represents a total investment value of EUR 9.6 million and will generate additional rent of EUR 0.7 million per year, based on an initial gross yield of 7.5%. This transaction was brokered by Cushman & Wakefield.

⁹ For more information, please see our press release dated 13/05/2014 or visit www.montea.com.

6. Outlook

- **Investment pipeline**

Based on the transactions already announced in the first quarter of 2014, Montea will see its property portfolio grow to over EUR 400 million in 2014.

- **Funding strategy**

Based on a debt ratio of 60%, Montea still has a further investment capacity of EUR 45 million.

To enable it to fund the growth mentioned above, Montea is working on:

- ↳ Issuing a bond loan, targeted at institutional investors, for a minimum of EUR 30 million. Montea has appointed Bank Degroof and Belfius Bank as Joint Lead Managers to guide it through this transaction in the second quarter of 2014.
- ↳ Montea is also considering a capital raising, within the context of its permitted capital of approximately EUR 50 million, by issuing new shares with preferential subscription rights for existing shareholders. If the decision is taken by the Board of Directors to proceed with this capital raising, Montea will appoint ING and KBC Securities as Joint Bookrunners and Belfius as co-lead manager to guide it through this transaction.

- **Occupancy rate and lease terms**

The occupancy rate is 95%, which is in line with the projected target figure.

The average lease term is 5.8 years. Based on the growth it has announced, Montea expects the average terms of its leases to rise to over 6 years by the end of the financial year.

- **Operating margin**

As of 31/03/2014, the operating margin was 82.8%. Based on the growth already announced, Montea is aiming to achieve an operating margin of 85% for the whole of 2014.

- **Financial costs**

As of 31/03/2014, financial costs were 3.94%¹⁰, which is in line with the intended target of keeping recurrent financial charges under 4%.

¹⁰ This financial charge is an annual runrate, based on the total lines of credit drawn down, lease debts and bond loans at 31/03/2014, the hedging instruments negotiated at 31/03/2014 and the short-term interest rate (EURIBOR 3-month rate) at 31/03/2014.

7. Financial calendar

- 20/05/2014 General meeting of shareholders
- 22/05/2014 Ex date
- 26/05/2014 Record date
- 27/05/2014 Payment date
- 21/08/2014 Half-yearly financial report – results at 30/06/2014
- 06/11/2014 Interim statement – results at 30/09/2014

This information is also available at our website: www.montea.com.

OVER MONTEA “SPACE FOR GROWTH”

Montea Comm. VA is a public property investment trust established under Belgian law (Sicafi – SIIC), specialising in logistics and semi-industrial property in the Benelux and France. The company is a leading player in this market. Montea literally offers its clients room to grow through flexible and innovative property solutions. This enables Montea to create value for its shareholders. As of 31/03/2014, Montea’s property portfolio represented total floor space of 619,093 m², spread across 37 locations. Montea Comm. VA has been listed on NYSE Euronext Brussels (MONT) and Paris (MONTP) since the end of 2006.



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FOR MORE INFORMATION



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website!