



Degroof Petercam Real Estate Conference

27/09/2023

Retail Estates 2023

IMPORTANT MILESTONES 1998-2023

KPIS RETAIL ESTATES ON 30 JUNE 2023

ECHOES FROM THE RETAILERS

RESTRUCTURING AND BANKRUPTCIES: RISK MANAGEMENT

OUTLOOK FOR RETAIL ESTATES

VALUATION

22/23 IN A NUTSHELL

PORTFOLIO RETAIL ESTATES

EXPANSION IN THE NETHERLANDS

CSR REPORTING

FINANCIAL RESULT

3

5

6

7

8

11

12

13

18

20

22



Important milestones 1998-2023

Retail Estates on the stock exchange
IPO and first listing on Euronext Brussels

1998

RETAIL ESTATES



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



2015

Strengthening of the capital
Fourth public capital increase

2014

Diversification of financing sources
bond issue - private placement

2013

Strengthening of the capital
Third public capital increase

2012

Optional stock dividend
offered to the shareholders for the first time

Important milestones 1998-2023



Value real estate portfolio
Real estate portfolio reaches the milestone of EUR 1 billion



20 years Retail Estates on the stock exchange
Additional listing on Euronext Amsterdam

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

2016

Diversification of financing sources
bond issue - private placement

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

2018

Strengthening of the capital
Fifth public capital increase
Expansion to the Netherlands

2019



Full recovery of operating results to pre-corona level



Diversification of financing sources
bond issue - private placement of EUR 75 million

2023

25th anniversary of Retail Estates

2022



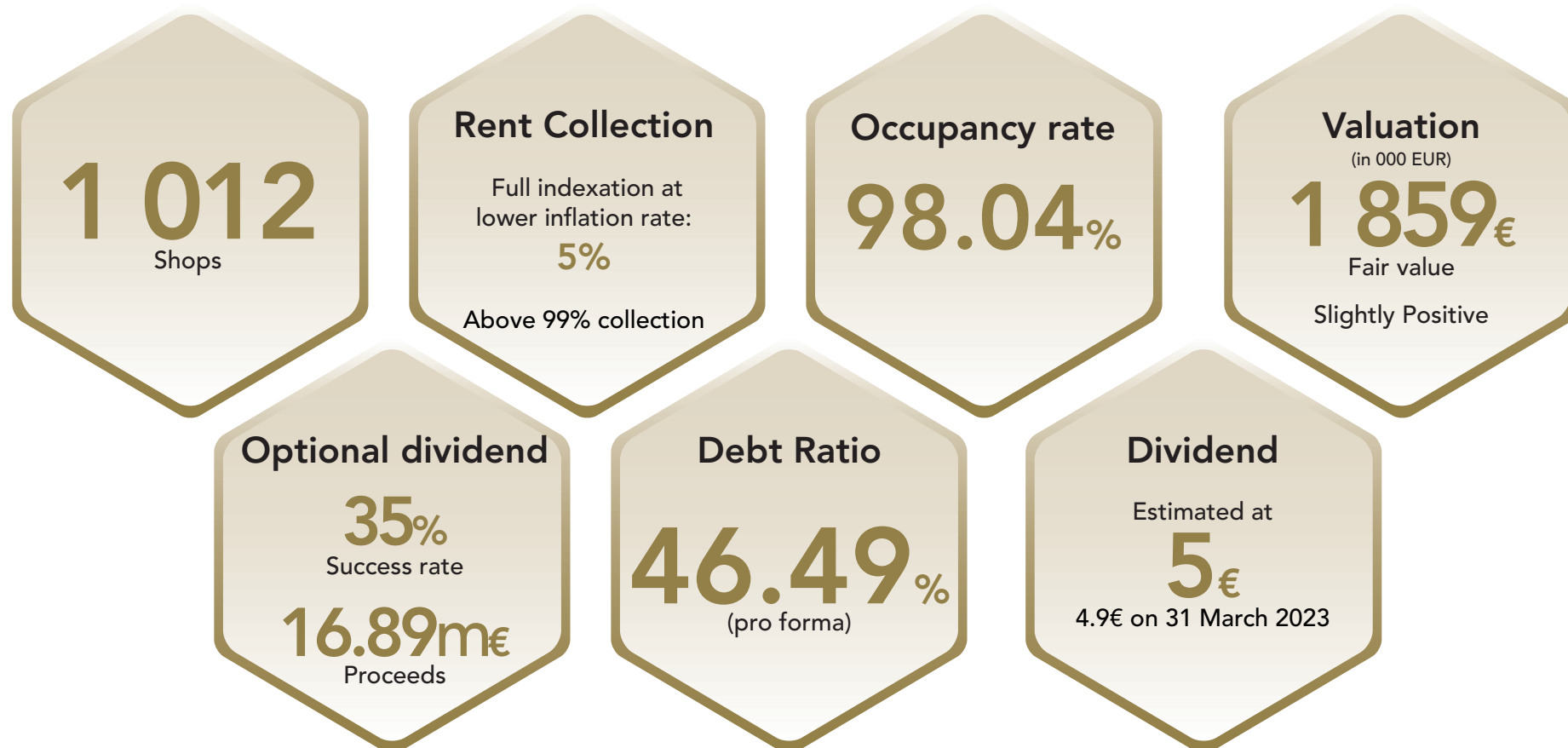
2021

Stable portfolio valuations and increasing dividend
Despite months of mandatory shop closures due to Corona crisis

2020



KPIs Retail Estates on 30 June 2023



Echoes from the retailers



- Retailers controlled by private equity:
Stick to your guns.
 - Solid results in COVID-19 period
 - Leen Bakker/Kwantum (Gilde Equity Management BV) (Benelux)
 - X20 (Vendis) (BE)
- Retailers controlled by industry players
 - ZEB (Colruyt Group) (BE)
 - Exit managing partner
 - Exit franchisees
- Restructuring cases
 - Mirage Retail Group (NL)
 - BCC: add-on acquisition
- Food retail: Oversupply
- Post corona & post energy crisis: ESG challenge

Restructuring and Bankruptcies: Risk management

➤ Louis Delhaize (BE): restructuring

	Take-over number of shops
Match	28
Smatch	29
Cora	0
Deli Traiteur	0
Louis Delhaize	0

At stake for Retail Estates:

0 because 2 shops in Ath and Fontaine purchased by Colruyt.

➤ Big Bazar (BE/NL): mother company (family-owned) in bankruptcy

Location	Annual rent (€)
Roeselare (BE)	89,931.62
Tongeren (BE)	82,178.69

At stake for Retail Estates:

2, but Belgian activities are in restructuring, not bankruptcy.

➤ Mirage Retail Group (NL): bankruptcy, BCC add-on Blokker Groep

Location	Annual rent (€)
Middelburg	126,221.70
Spijkensisse	152,080.53

At stake for Retail Estates:

2 in NL

Outlook for Retail Estates

A. PROFITABILITY

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



Outlook for Retail Estates

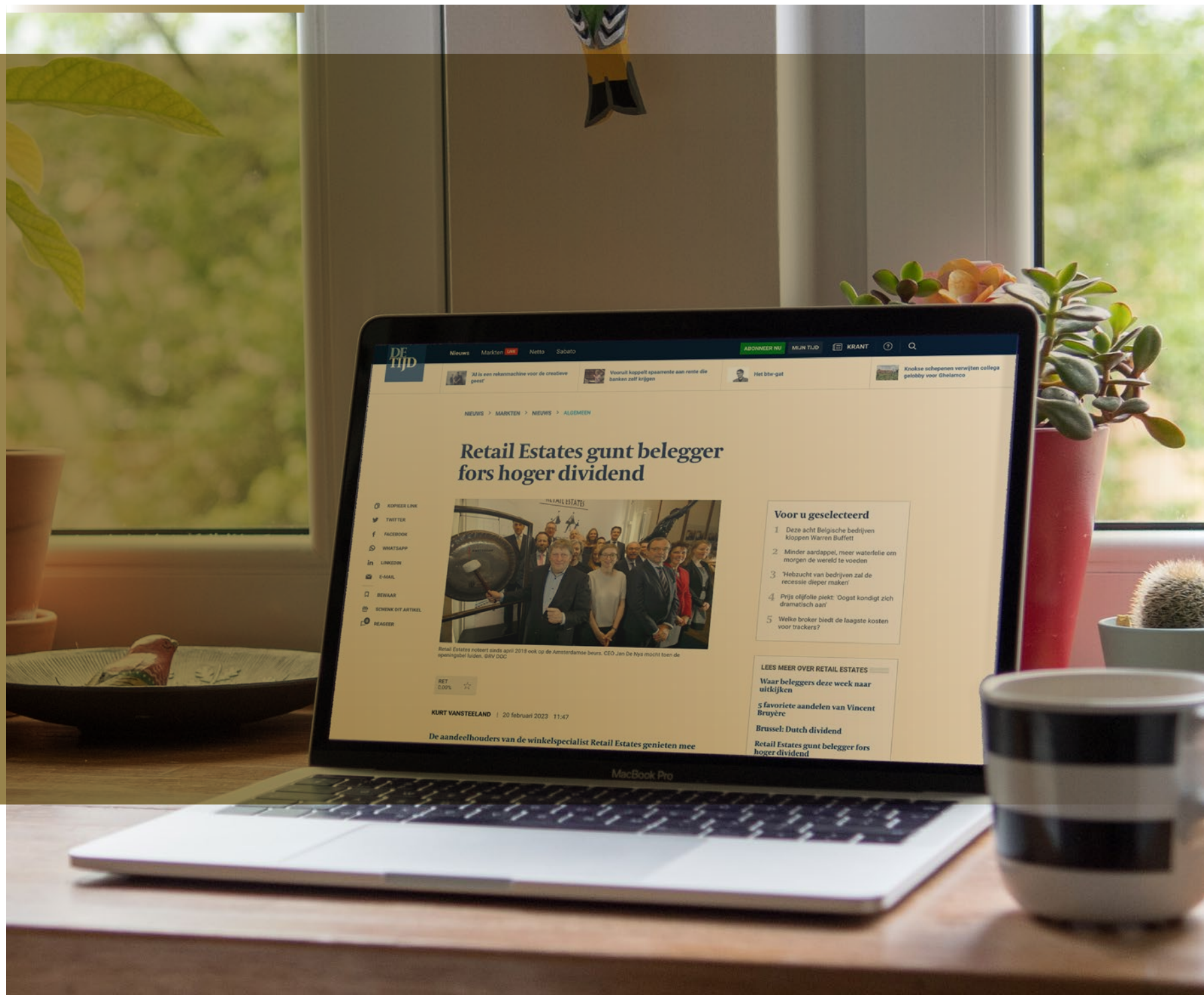
B. BALANCE SHEET

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

C. MITIGATING FACTORS

- Low unemployment
- Indexation of wages
- Mattheus effect indexation and government measures





Valuation

The Netherlands

- Yield NL: **7.27%**
- No indexation of ERV
- Average contractual rent/m²
NL: **107.69 EUR**
- Occupancy rate NL: **98.64%**

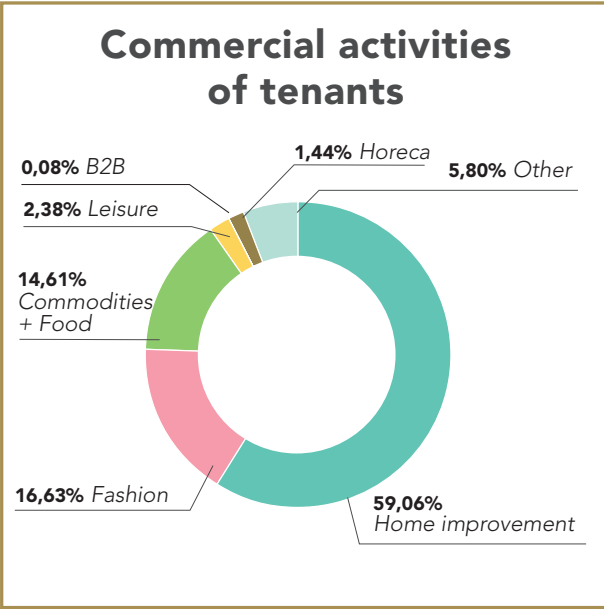
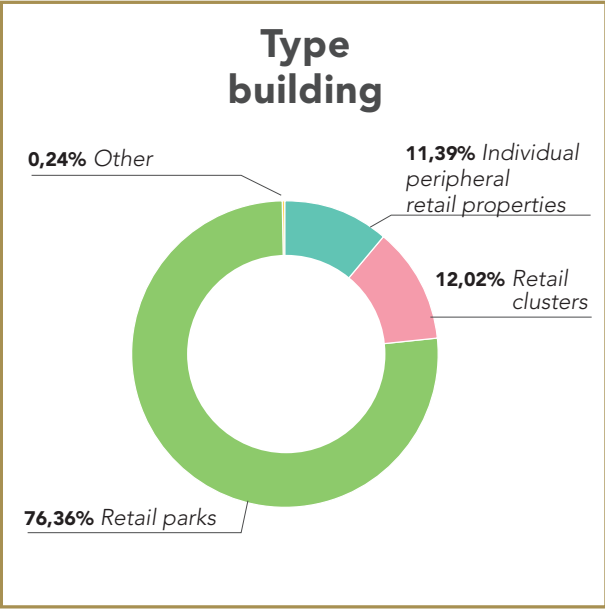
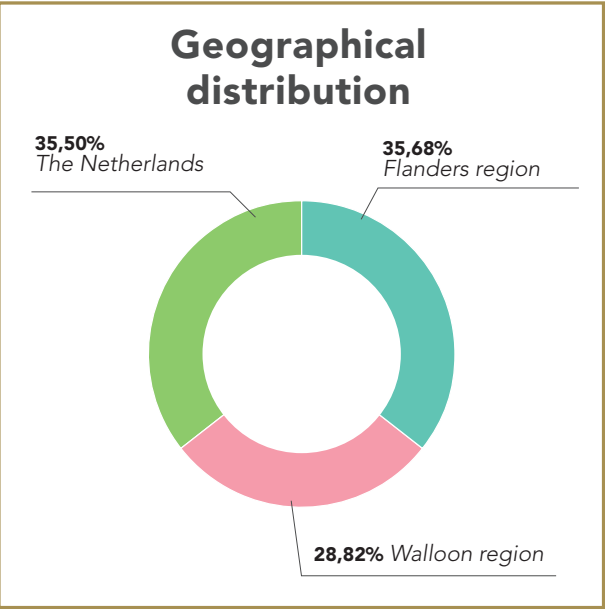


Belgium

- Yield BE: **6.79%**
- No indexation of ERV
- Average contractual rent/m²
BE: **115.35 EUR**
- Occupancy rate BE: **97.71%**



22/23 in a nutshell



729
retail properties
in Belgium

284
retail properties
in the Netherlands

1 013
Retail properties

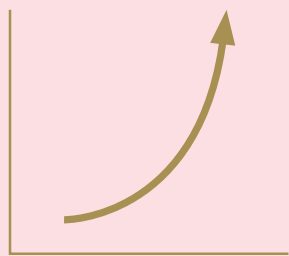
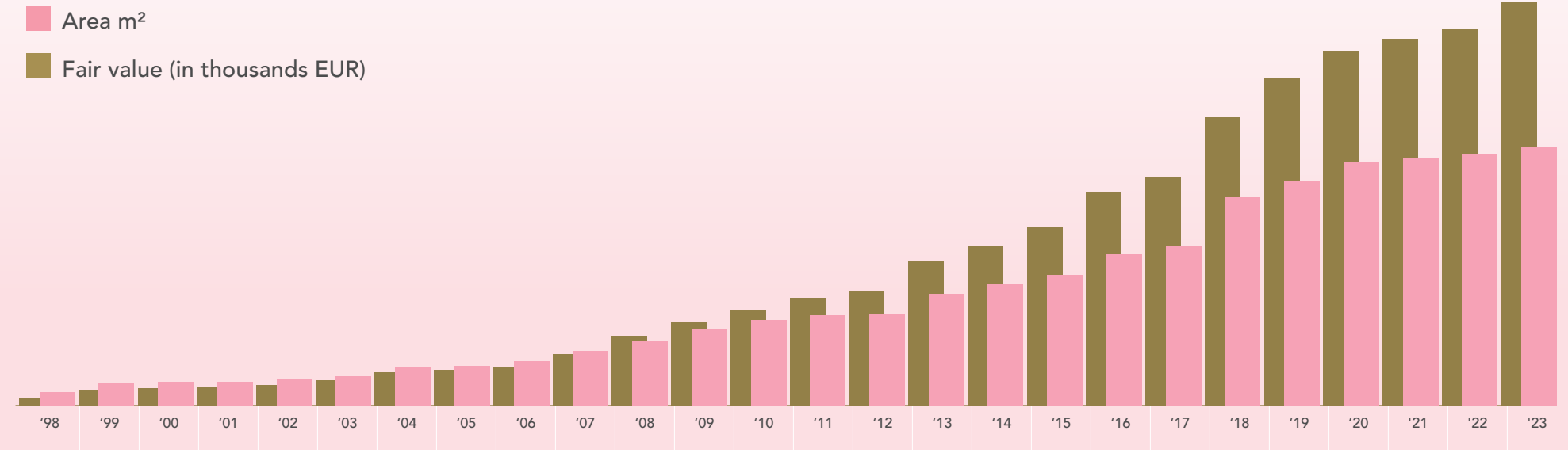
The real estate portfolio of Retail Estates consists of retail properties located outside the largest cities of Belgium and the Netherlands.

Number of employees

13

23

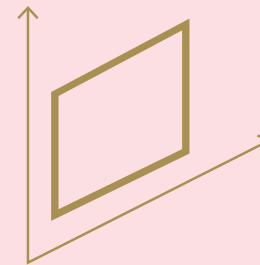
GROWTH PORTFOLIO RETAIL ESTATES NV BETWEEN 1998 AND 2023



Fair value

1 888 562 000 €

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

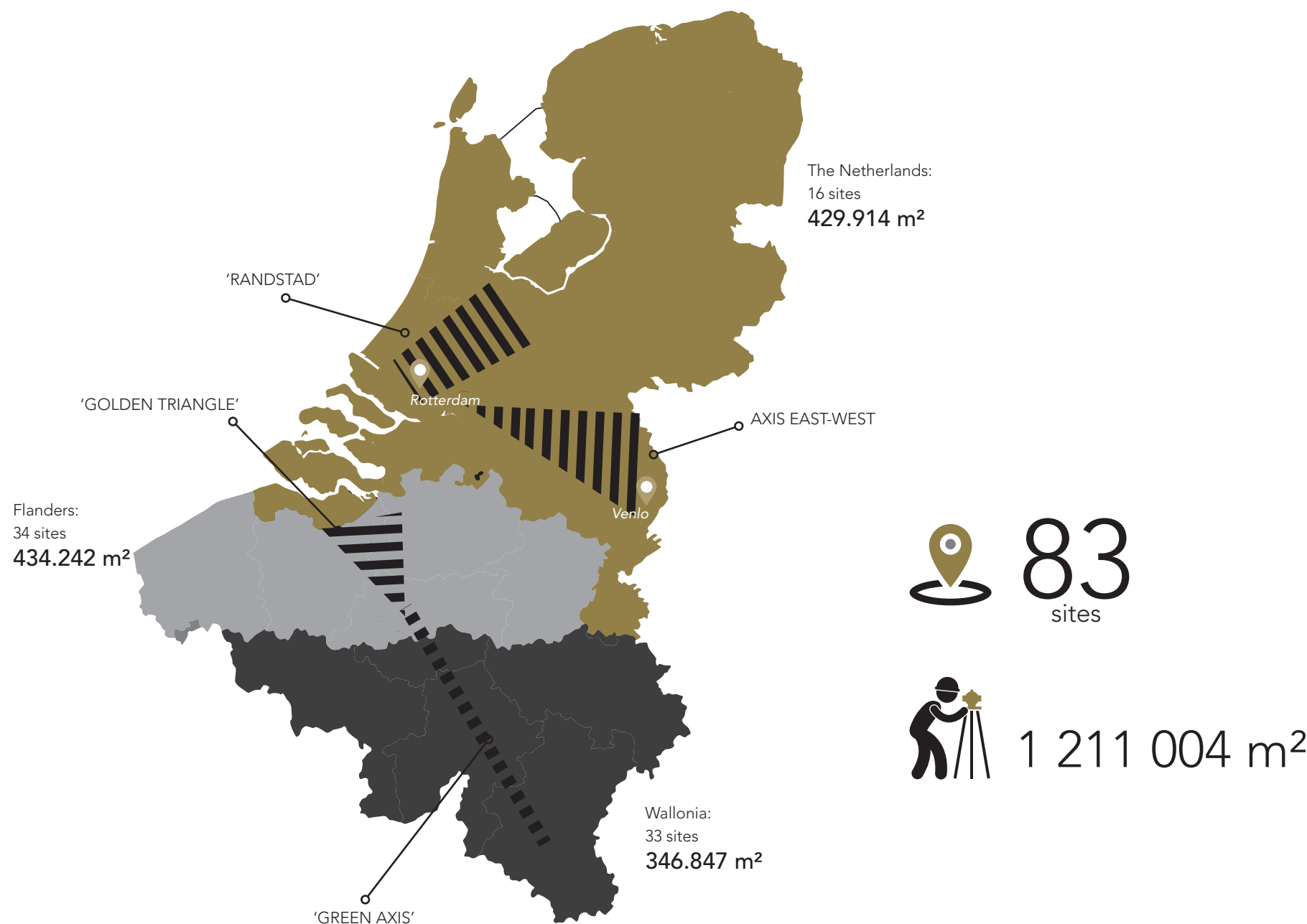


Retail area

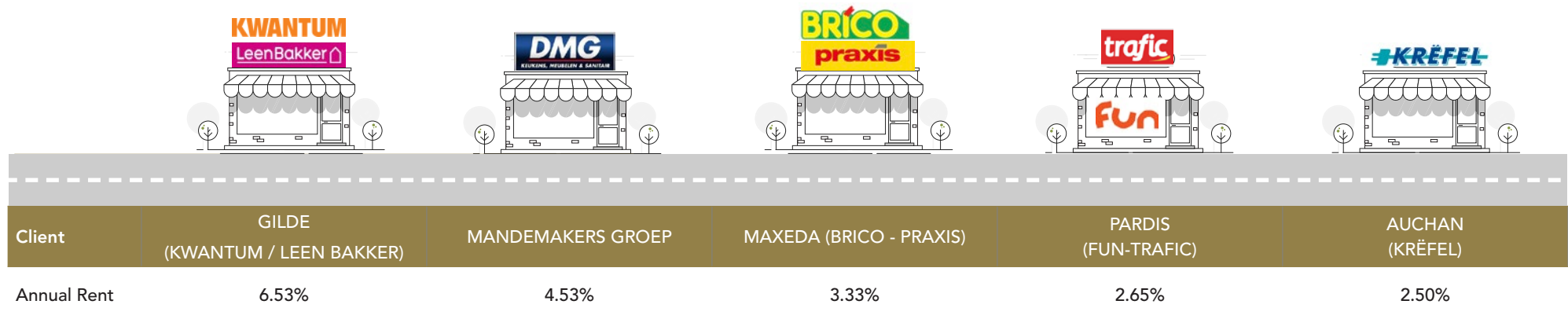
1 211 004m²

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

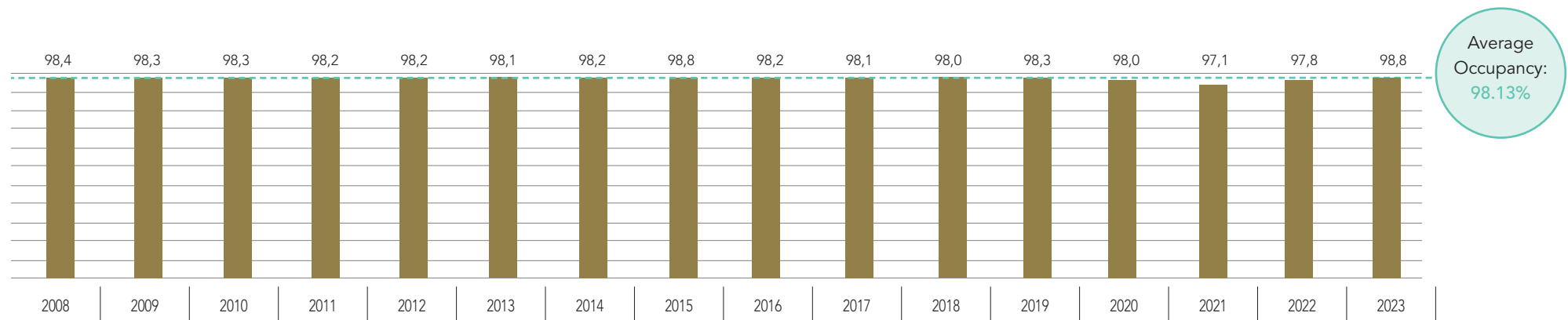
Portfolio Retail Estates



Top 5 tenants 31 March 2023



Historical occupancy rate (%)





Expansion in the Netherlands



Update Alexandrium II

Acquisition "home decoration mall" Alexandrium II

- 26 500 m² retail floor space
- 18 units
- Voluminous and non-voluminous retail units
- 81,5 m € acquisition value





CSR reporting



➤ Strategic plan 2022 – 2025

Yearly investment of 10 mio EUR capital expenditures ("CapEx") and 1.2 mio operational expenditures ("OpEx")

➤ 2022-2023 realizations

CapEx: 10.3 mio EUR

OpEx: 2.7 mio EUR



"Retail Estates was again included in the EPRA Annual Report Survey and received a gold award for the sustainability reporting."

Double glazing
windows:
2.55 mio EUR



Roof & facade
insulation:
7.42 mio EUR



Solar panels:
2.46 mio EUR





P
Max.
30 min

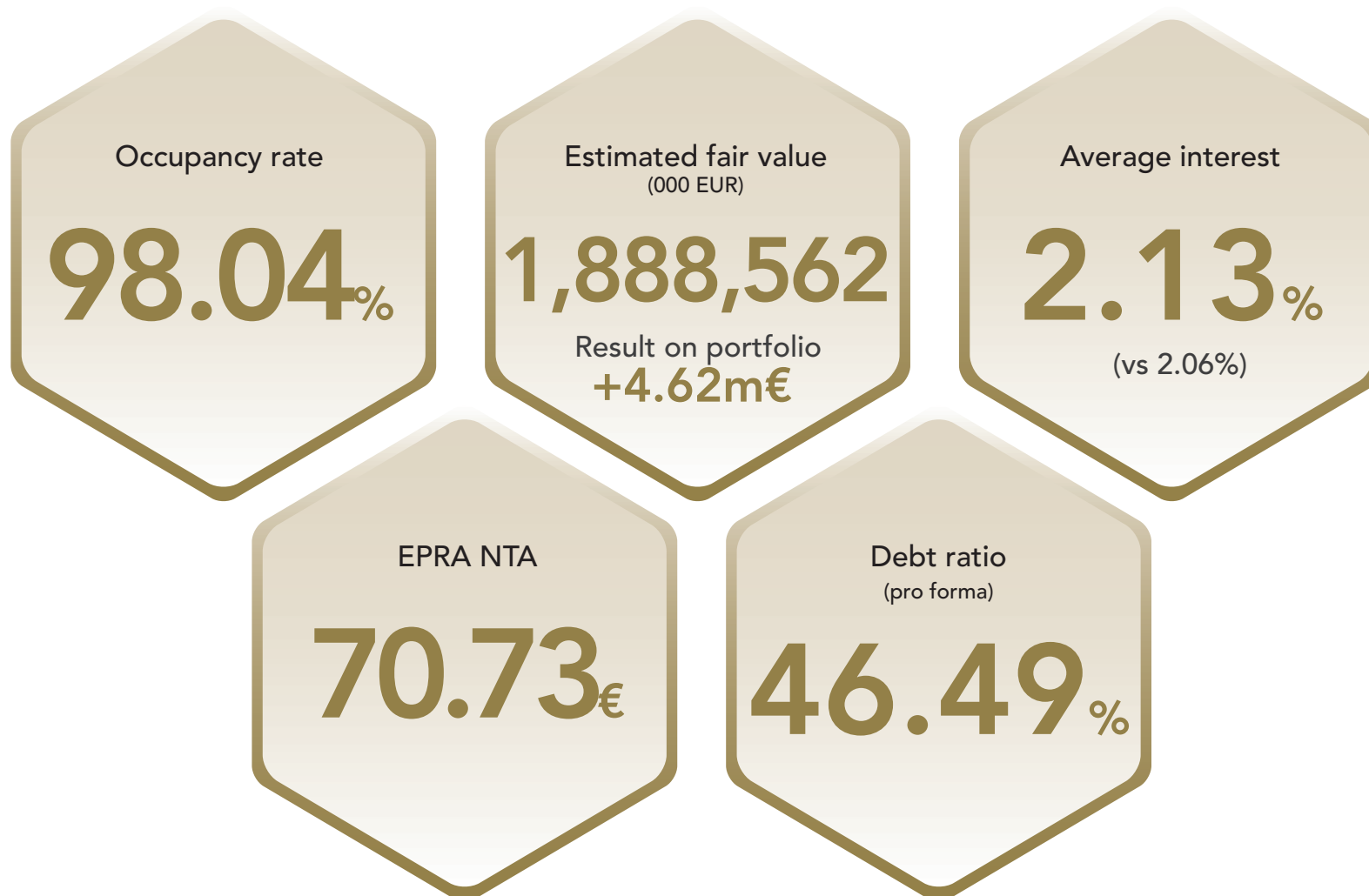
P
Max.
30 min

Financial result

FINANCIAL KPIS ON 30/06/2023	23
KEY FIGURES 2022-2023	24
CONSOLIDATED INCOME STATEMENT	25
CONSOLIDATED BALANCE SHEET	26
OPERATIONAL KEY FIGURES	29
IMPACT FBI-REGIME	30
EPRA FIGURES	32
FINANCIAL KEY FIGURES	34
FINANCIAL DEBTS	36
PROPERTY PORTFOLIO	38
GUIDANCE 2023-2024	41



Financial KPIs 30/06/2023



Key figures 2021-2023

REAL ESTATE PORTFOLIO	31.03.2023	31.03.2022	31.03.2021
Number of properties	1 013	987	992
Total lettable area in m ²	1 211 004	1 177 577	1 153 448
Estimated fair value (in €)	1 888 562 000	1 759 879 000	1 717 245 000
Estimated investment value (in €)	1 983 204 000	1 833 757 000	1 789 397 000
Average rent prices per m ²	114.89	104.14	102.24
Occupancy rate	98.08%	97.83%	97.07%
BALANCE SHEET INFORMATION	31.03.2023	31.03.2022	31.03.2021
Shareholders' equity	1 104 064 000	920 980 000	808 223 000
Shareholders' equity attributable to the shareholders of the parent company	1 097 249 112	920 980 000	808 223 000
Debt ratio (RREC legislation, max. 65%) ¹	44.77%	49.15%	52.18%
RESULTS	31.03.2023	31.03.2022	31.03.2021
Net rental income	125 401 000	115 579 000	100 402 000
Property result	123 482 000	113 504 000	98 738 000
Property costs	-15 332 000	-10 524 000	-6 877 000
Operating corporate costs and other current operating income and expenses	-7 097 000	-6 050 000	-6 123 000
Operating result before result on portfolio	101 053 000	96 930 000	85 737 000
Result on portfolio	51 460 000	22 096 000	-4 146 000
Operating result	152 513 000	119 026 000	81 592 000
Financial result	22 723 000	16 158 000	-17 757 000
Net result (share Group)	180 621 000	131 837 000	61 436 000
EPRA earnings (share Group)	88 203 000	75 265 000	62 908 000

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").

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
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
EPRA earnings (share Group)	88 203	75 265
EPRA result minorities	127	0

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 ¹	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

¹ Including investment properties under construction (IAS 40).

Consolidated balance sheet

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 ⁴	44,77%	49,15%

⁴ 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).



Operational key figures

Epra result per share

6.34 €

Weighted Average lease
length

6.71 years

Like for Like

5,81 %

Pay-out ratio

80.56 %

Operational Margin

80.29 %

Impact FBI-regime

IMPACT FBI-REGIME	31.03.2023
CIT to receive (gross)	9 637
Withholding tax on dividend (5%)	-1 971
Net impact	7 666
Received per 31.03.2023	7 201
Amount to be received:	465
Non-recurring impact per 31.03.2023	7 702
Non-recurring impact per 31.03.2023 per share	0.55
Recurring impact on a yearly basis going forward	2 573
Recurring impact on a yearly basis going forward per share	0.18



EPRA figures

EPRA KEY PERFORMANCE INDICATORS	31.03.2022		31.03.2021	
	EUR/1000	EUR per share	EUR/1000	EUR per share
EPRA result	88 203	6.34	75 265	5.84
EPRA NRV (Net Reinstatement Value)	1 138 570	80.83	983 672	74.37
EPRA NTA (Net tangible assets)	1 039 312	73.78	905 480	68.46
EPRA NDV (Net Disposal Value)	1 116 922	79.29	911 358	68.90

RETAIL ESTATES NV - EPRA NAV - IFRS NAV





SALLES DE BAINS



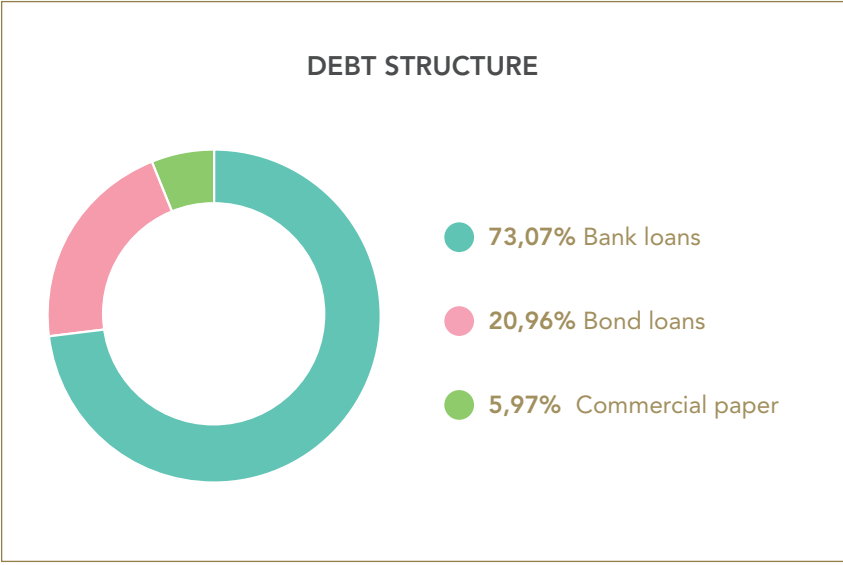
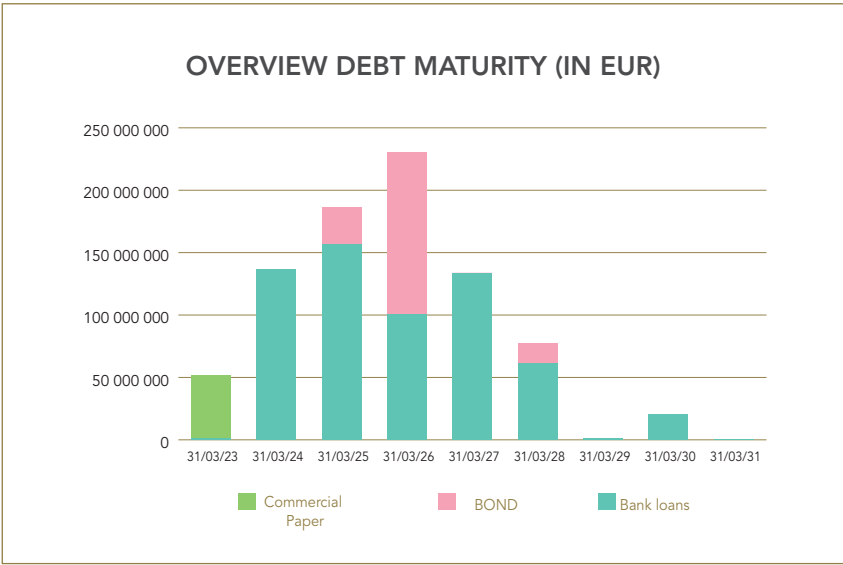
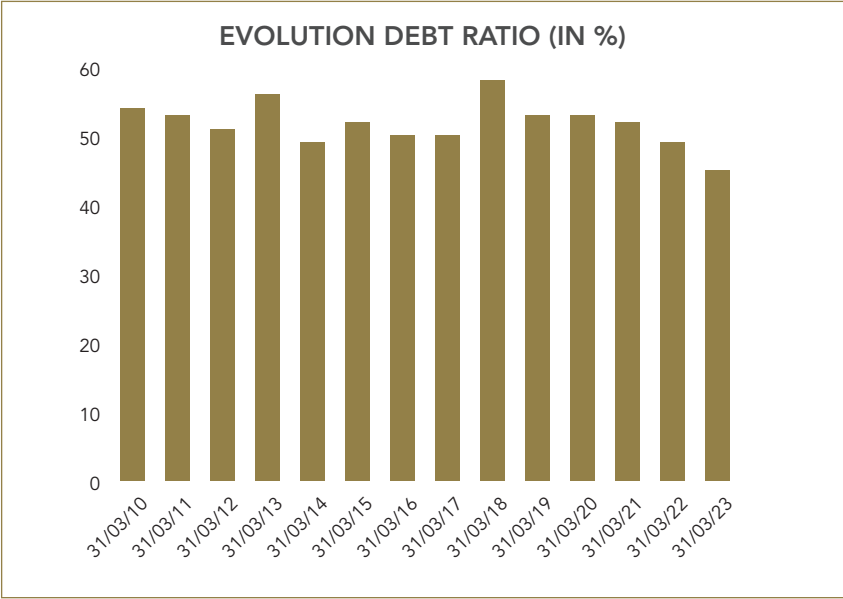
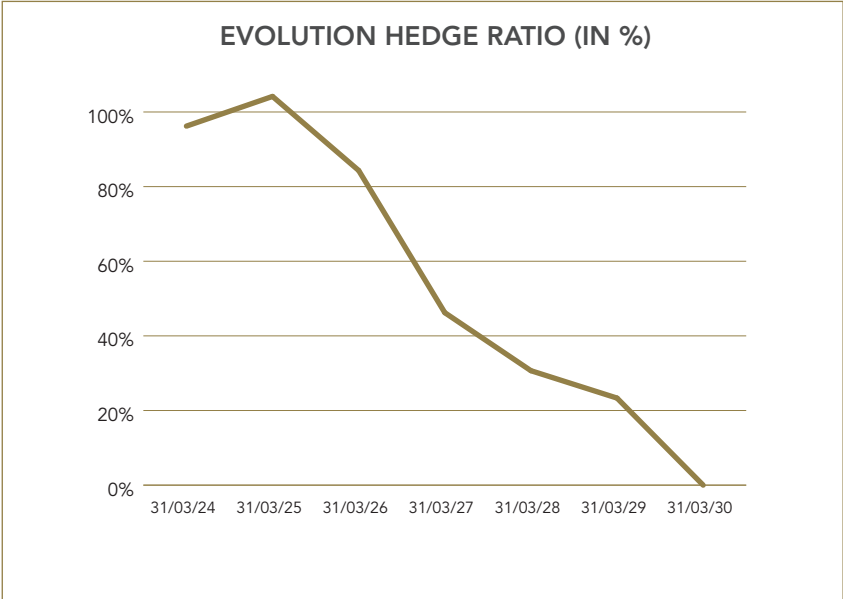
ACTION

Financial key figures





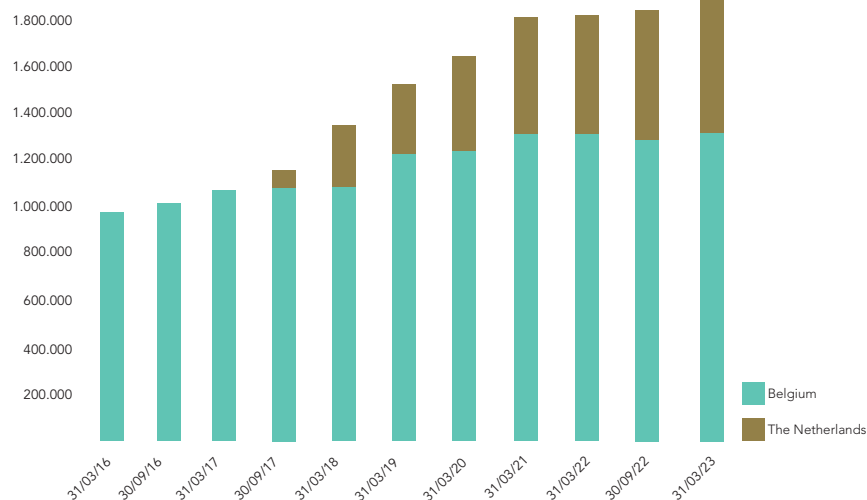
Financial debts



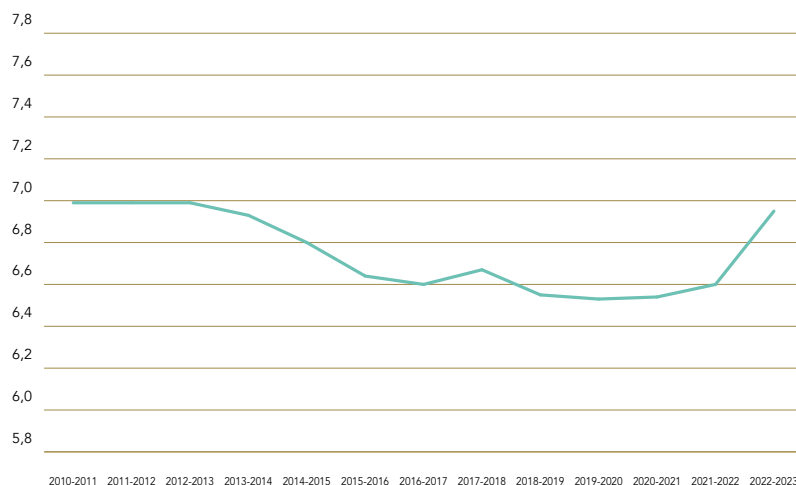


Property portfolio

PROPERTY PORTFOLIO
IN €000



YIELD EVOLUTION IN %



ASSETS UNDER CONSTRUCTION

Assets under construction	(in € 000)
Landbank	935
Prospective	8 756
Pre-development	2 020
In progress	3 559
Sustainability	1 064
TOTAL	16 335

Yield on Portfolio

6.95%





Guidance 2022-2023

Gross Dividend

5€

Net Dividend

3.50€

Net rental income

137 m€



Westelpark, Westerlo, Belgium

For more information contact:



Jan De Nys

Chief Executive Officer

+32 (0)2 568 10 20

Jan.DeNys@retailestates.com



Kara De Smet

Chief Finance Officer

+32 (0)2 568 10 20

Kara.DeSmet@retailestates.com



"Retail Estates was once again featured in the EPRA annual report survey, earning a gold award for its financial reporting and a gold award for its sustainability reporting."



Public BE-REIT under the laws of
Belgium

Industrielaan 6
B- 1740 Ternat
T. +32 (0)2 568 10 20
F. +32 (0)2 581 09 42

info@retailestates.com
www.retailestates.com

This presentation has been prepared by the management of Retail Estates NV, Belgian public real estate investment company ("Retail Estates" or the "Company"), solely for your information and background and is subject to updating, completion, revision and amendment and such information may change materially. No person is under any obligation to update or keep current the information contained in this document and any opinions expressed in relation thereto are subject to change without notice. "Presentation" means this document, any oral presentation, the question and answer session and any written or oral material discussed or distributed during the presentation. The Presentation comprises written material/slides which provide information on the Company and its subsidiaries.

This Presentation includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results, condition, performance, prospects, growth, strategies and the industry in which the Company operates. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause the Company's actual results, condition, performance, prospects, growth or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. The Company cautions you that forward-looking statements are not guarantees of future performance and that its actual results and condition and the development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements contained in this document. In addition, even if the Company's results, condition, and growth and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in future periods. The Company and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this Presentation or any change in the Company's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.