

FIRST QUARTER 2019

- Contribution in kind of nine inner-city properties on top locations in Antwerp and Ostend for an investment value of 23,8 MEUR.¹
- Fair Value of the real estate portfolio amounts to 291,68 MEUR on 31 March 2019.
- IFRS NAV per share 21,03 EUR, decrease of 7,82% compared to 31 December 2018, and EPRA NAV per share of 21,38 EUR, decrease of 7,50%, as a result of the newly created shares following the contribution in kind.
- Debt ratio of 48,19%, decrease of 3,92%, as a result of the contribution in kind of the nine properties.
- Stable Occupancy rate of 94,76% on 31 March 2019.
- The new effective leaders (CEO, William Vanmoerkerke and CFO, Tom Schockaert) are ready to take over the day-to-day management of Qrf after the General Meeting of Shareholders.

Occupancy rate	Contractual rents on an annual basis	Portfolio spread
94,76%	15,9 MEUR	90% (inner city) 10% (periphery)
Fair Value of the real estate portfolio	NAV per share	Debt ratio
291,68 MEUR	21,03 EUR (IFRS) 21,38 EUR (EPRA)	48,19%

¹ For more details we refer to Chapter 5, transactions and achievements after the end of 2018 financial year, of the Annual accounts of Qrf City Retail.

1. Key figures

Consolidated key figures		31/03/2019	31/12/2018
Real estate portfolio			
Fair Value of the real estate portfolio ²	(KEUR)	291.684	271.794
Total gross surface area	(m ²)	90.272	87.116
Contractual rents on an annual basis ³	(KEUR)	15.888	15.391
Estimated Rental Value of vacant property	(KEUR)	879	842
Gross portfolio yield ⁴		5,45%	5,66%
Occupancy rate ⁵		94,76%	94,82%
Balance sheet			
Shareholders' equity (excl. minority interests)	(KEUR)	150.441	129.272
Debt ratio (under the RREC Act) ⁶		48,19%	52,12%
Key figures per share			
Total number of shares outstanding at the end of period		7.153.322	5.665.822
Closing price of the share at the end of period	(EUR)	14,65	13,80
Market capitalization	(KEUR)	104.796	78.188
IFRS NAV per share ⁷	(EUR)	21,03	22,82
Premium/discount to IFRS NAV (end of period)		-30,03%	-39,52%
EPRA NAV per share ⁸	(EUR)	21,38	23,11
Premium/discount to EPRA NAV (end of period)		-31,50%	-40,28%

² Fair Value of the real estate portfolio = the investment value as defined by an independent chartered surveyor, from which the transfer costs are deducted. The Fair Value is equivalent to the book value under IFRS.

³ Contractual rents on an annual basis = the index-adjusted base rental prices as contractually set in the rental contract before the deduction of gratuities or other incentives allowed to the tenant.

⁴ Gross portfolio yield = (Contractual rents on an annual basis) / (Fair Value of the real estate portfolio).

⁵ Occupancy rate = (Contractual rents on an annual basis) / (Contractual rents on an annual basis including the Estimated Rental Value of vacant property).

⁶ Calculated according to the Royal Decree of 13 July 2014 pursuant to the Regulated Real Estate Companies Act of 12 May 2014.

⁷ IFRS NAV per share = Net Asset Value per share according to IFRS.

⁸ EPRA NAV per share = Net Asset Value per share according to EPRA Best Practices Recommendations.

2. Real estate activities

2.1. Acquisitions, divestments and other activities in the first quarter of 2019

Acquisitions and divestments

Contribution in kind on 30 January 2019 of nine inner-city properties on top locations in Antwerp and Ostend

On 30 January 2019 the Vanmoerkerke family made a contribution in kind of nine inner-city properties on top locations in Antwerp and Ostend. The location of the properties is fully in line with the strategic vision of Qrf City Retail.

Through this operation, Qrf City Retail acquired new tenants such as TUI, Footlocker, Lensonline and Boulangerie Paul outside the fashion segment. The nine retail properties are expected to generate jointly 1.178 KEUR Contractual Rents on an annual basis.⁹ The total investment value of these retail properties amounts to 23.8 MEUR.¹⁰

The contributors (Horizon Retail Investerings WP BVBA and Horizon Retail Investerings DMB NV, two companies controlled by the Vanmoerkerke family) were remunerated with 1,487,500 new Qrf City Retail shares at an issue price set contractually at 16.00 EUR per share. This implies a premium of 13% with respect to the closing price of 14.15 EUR on 30 January 2019 and a premium of 12% with respect to the average closing price during the 30 calendar days prior to the date of this press release. The new shares are ordinary shares that have the same rights as the existing shares, except for the fact that they do not entitle holders to the dividend for the financial year ending on 31 December 2018. The new shares will be entitled to a share of the profits as of 1 January 2019.

Change in the executive management team and the board of directors

I. Messrs William Vanmoerkerke and Francis Vanderhoydonck replaced Messrs Herman Du Bois and Freddy Hoorens on the Qrf Board of Directors effective as of 31 January 2019.

II. On 19 February 2019, the Board of Directors decided to appoint William Vanmoerkerke as co-CEO, Effective Leader and Permanent Representative of Qrf Management NV. Anneleen Desmyter will submit her resignation as CEO and Effective Leader on 21 May 2019. She was one of the founders of Qrf City Retail and served as CEO for more than 5 years.

III. On April 22, 2019 Tom Schockaert joined the company as the new CFO and Effective Leader of Qrf City Retail. He will also assume the duties of Risk Manager and Compliance Officer.

⁹ Seven of the nine properties were let on the date of the transaction and will generate 908 KEUR in Contractual rents on an annual basis. Two of the nine properties were not let on the same date. For these two properties, the contributor has given a rental income guarantee to Qrf City Retail for a period of 6 months for an amount of 270 KEUR on an annual basis. In the meantime, a lease has been concluded concerning one of the vacant retail properties.

¹⁰ The acquisition value of the aforementioned acquisitions meets the requirements of Article 49 § 1 of the RREC Act.

Change in control of statutory manager and adaptation of the property management agreement

With the completion of the aforementioned contribution in kind (at a 13% premium in relation to the share price on 30 January 2019) the Vanmoerkerke family has taken over 100% of the shares in Qrf Management NV, the Statutory Manager of Qrf City Retail, from the Quares group.¹¹

The interests of the Shareholders and of Management were brought further in line with the entry of the Vanmoerkerke family as reference shareholder and transferee of the Statutory Manager.

Quares Property Management NV and Quares Property & Facility Management BV are no longer affiliated with Qrf City Retail but will continue to provide technical assistance to ensure the continuity of Qrf City Retail.¹²

Certain contractual conditions of this property management agreement have been adapted accordingly. The new agreement results in a cost reduction of about 15% compared to the former proper management agreement.

2.2. Evolution of the real estate portfolio in the first quarter of 2019

The Fair Value of the real estate portfolio amounts to 291,68 MEUR on 31 March 2019 (compared to 271,79 MEUR on 31 December 2018). This increase in the Fair Value of the real estate portfolio of 19,89 MEUR is a result of the contribution in kind as described here above (23,8 MEUR), a decrease in the Belgian and Dutch portfolio of respectively 3,04 MEUR (-1,25%) and 0.37 MEUR (-1.35%) and the sale of a property located at Mons (0,50 MEUR).

The Contractual rents on an annual basis amounted to 15,89 MEUR on 31 March 2019 (compared with 15,39 MEUR on 31 December 2018).

The Gross portfolio yield amounted to 5,45%.

The Occupancy rate of the portfolio remained stable on 94,76% on 31 March 2019 (compared with 94,82% on 31 December 2018). The empty space is especially due to the development of the properties in Leuven (Bondgenotenlaan) and Antwerp (Century Center).

3. Balance sheet

The Shareholders' equity (excl. minority interests) increases by 16,38% to 150,44 MEUR on 31 March 2019 (compared with 129,27 MEUR on 31 December 2018).

The Debt ratio drops from 52,12% on 31 December 2018 to 48,19% on 31 March 2019.

The IFRS NAV per share dropped by 7,82% from 22,82 EUR on 31 December 2018 to 21,03 EUR on 31 March 2019.

The EPRA NAV per share dropped by 7,50% over the same period, from 23,11 EUR to 21,38 EUR.

4. Prospects in 2019

Optimisation existing property portfolio

The new management of Qrf makes it a priority to identify and implement possible efficiencies and optimisations at the portfolio level. A central premise here is that Qrf aspires to agree upon sustainable rent levels with its Lessees in order to be able to perpetuate value in the long term.

¹¹ Via its subsidiaries "Quares REIM Retail NV" and "Quares Holding CVBA" which jointly own 100% of the shares of "Qrf Management NV"

¹² The technical and administrative management of the portfolio of Qrf City Retail is outsourced to Quares Property Management NV (for the real estate portfolio situated in Belgium) and to Quares Property & Facility Management BV (for the real estate portfolio situated in the Netherlands) by virtue of a property management agreement.

Caution regarding forward-looking statements

This press release contains forward-looking statements involving risks and uncertainties, including statements regarding Qrf City Retail's plans, targets, expectations and intentions. Readers are reminded that such forward-looking statements involve known and unknown risks and are subject to major corporate, economic and competitive uncertainties to a large extent outside the control of Qrf City Retail. Should one or more of these risks or uncertainties materialise, or should assumptions used prove incorrect, the final results could substantially vary from those anticipated, expected, estimated or projected. Qrf City Retail consequently assumes no responsibility for the accuracy of these forecasts.

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About Qrf City Retail:

Qrf City Retail is a listed Belgian REIT (BE-REIT) specialising in the niche market of retail properties in Belgium and the Netherlands. More specifically, the company focuses on the acquisition, development and leasing of centrally located city premises, within areas known as the "Golden Mile" – inner-city streets with major catchment areas. On 31 March 2019, the real estate portfolio consisted of 52 retail properties with a total Fair Value of 292 MEUR.

Qrf City Retail has been listed on Euronext Brussels (QRF:BB) since December 2013. On 31 March 2019, the company's market capitalisation was 105 MEUR.

www.qrf.be