

PRESS RELEASE
Regulated information

1 March 2018
Under embargo until 5.40 pm

INTERIM STATEMENT OF THE STATUTORY MANAGER
FIRST QUARTER OF FINANCIAL YEAR 2017-2018
FURTHER EARNINGS GROWTH

OPERATING RESULTS

- Rental income €10.3 million, up 3.8%
- EPRA Earnings €6.7 million, up 3.5%

EARNINGS PER SHARE

- EPRA Earnings: €1.04 per share, up 4.1%

PROPERTY PORTFOLIO

- Value of the portfolio: €619 million, up 0.4% on a like-for-like basis
- Geographical diversification of the portfolio:
 - 62% in Belgium
 - 33% in France
 - 5% in Spain
- Growth in the rate of occupancy: 97.2% (versus 97.0% as at 30/09/2017)

FINANCIAL STRUCTURE

- Debt ratio¹ of 41.2% as at 31/12/2017

¹ Debt ratio calculated in accordance with Royal Decree of 13 July 2014 on regulated real estate companies.

Property portfolio as at 31 December 2017

At 31 December 2017, the fair value of the property portfolio amounted to €618.9 million compared to €613.3 million as of September 30, 2017.

| (€000s) | 31/12/2017 | 30/09/2017 |
|---|----------------|----------------|
| BALANCE AT BEGINNING OF THE PERIOD | 613.317 | 572.132 |
| Acquisitions | 3.001 | 32.612 |
| Disposals | 0 | 0 |
| Transfer from assets held for sale | 0 | 0 |
| Change in fair value | 2.608 | 8.573 |
| BALANCE AT THE END OF THE PERIOD | 618.925 | 613.317 |

During the 1st quarter of the year, Ascencio acquired a 1,963 m² store operated by Mr. Bricolage in the Bellefleur retail park in Couillet, completing its real estate control of the site.

Ascencio has also started the division of the commercial surfaces of its sites in Spain to reduce the area occupied by Worten and rent them to the Spanish chain Kiwoko. This redevelopment will lead, at the end of the works, to an increase in the rents collected on the three sites in Madrid, Barcelona and Valencia.

As at December 31, 2017, the occupancy rate of the portfolio stood at 97.2%, slightly higher than at 30 September 2017 due to the relocation of several vacant spaces.

During this quarter, Ascencio concluded the rental of the surfaces that were vacant on its retail park in Crèche sur Saone, which is now 100% occupied. On the Pontet site, the vacant surface following the departure of Aldi was re-leased to the Satoriz organic products chain.

At this stage, Ascencio's supermarket portfolio is not affected by the current restructuring of Carrefour.

As of 31 December 2017, the breakdown of the portfolio (excluding projects) between the 3 countries in which Ascencio operates is as follows:

| COUNTRY | Investment value (€000s) | Fair value (€000s) (%) | Contractual rents (€000s) | Occupancy rate (%) | Gross yield (%) |
|--------------|--------------------------|------------------------|---------------------------|--------------------|-----------------|
| Belgium | 389.830 | 379.682 61,7% | 25.788 | 96,5% | 6,6% |
| France | 217.138 | 204.651 33,3% | 13.899 | 98,1% | 6,4% |
| Spain | 31.960 | 30.920 5,0% | 1.914 | 100,0% | 6,0% |
| TOTAL | 638.928 | 615.253 100,0% | 41.601 | 97,2% | 6,5% |

Consolidated results for the first quarter of financial year 2017/2018

| CONSOLIDATED RESULTS (€000s) | Q1 from 30/09/2017 to 31/12/2017 | Q1 from 30/09/2016 to 31/12/2016 |
|---|--|--|
| RENTAL INCOME | 10.274 | 9.900 |
| Rental related charges | 45 | -74 |
| Taxes and charges not recovered | -37 | -70 |
| PROPERTY RESULT | 10.282 | 9.756 |
| Property charges | -565 | -462 |
| Corporate overheads | -956 | -811 |
| Other income and operating costs | -21 | 0 |
| OPERATING RESULT BEFORE RESULT ON PORTFOLIO | 8.740 | 8.483 |
| Operating margin 2 | 85,1% | 85,7% |
| Financial income | 0 | 3 |
| Net interest charges | -1.741 | -1.789 |
| Other financial charges | -90 | -89 |
| Taxes | -163 | -88 |
| EPRA EARNINGS | 6.746 | 6.520 |
| Net gains and losses on disposals of investment properties | 0 | 0 |
| Change in the fair value of investment properties | 2.608 | 2.739 |
| Other result on the portfolio | 0 | 0 |
| Portfolio result | 2.608 | 2.739 |
| Change in fair value of financial assets and liabilities | 1.252 | 2.814 |
| Exit Tax | 0 | 0 |
| Deferred tax & tax on profit on disposals | -73 | -80 |
| NET RESULT | 10.533 | 11.993 |
| EPRA Earnings per share (EUR) | 1,04 | 1,00 |
| Earnings per share (EUR) | 1,62 | 1,85 |
| Number of shares | 6.497.594 | 6.497.594 |

Rental income rose by 3.8% and amounted to €10.3 million against €9.90 million for the 1st quarter last year due to the contribution of investments made in 2016/2017 (mainly the acquisition of the Papeteries de Genval shopping center on 22 December 2016 and the construction of an Action store on the Jambes site in the fourth quarter of the previous year).

² Alternative Performance Measure (APM). See pages 7 and 8 of this press release.

During the 1st quarter of the year, **average cost of debt**³ (margins and cost of hedging instruments included) amounted to 2.91% compared to 3.16% in the 1st quarter of the previous financial year.

Following the maturity on 30/06/2018 of an IRS of 50 million, fixed rate of 4.35%, the average cost of debt will decrease significantly from July 2018. Thanks to the rate hedging policy put in place, the **hedging ratio**³ of the group is currently 85% and, based on the current level of indebtedness, is greater than 75% over the next 4 years.

EPRA Earnings for the 1st quarter amounted to €6.75 million, compared to €6.52 million at 31 December 2016, an increase of 3.5%.

EPRA Earnings per share amounts to €1.04 per share, compared with €1.00 for the first quarter of the previous financial year.

After taking into account the positive change in the fair value of the portfolio (+ €2.61 million) and the positive change in interest rate hedging instruments (+ €1.25 million), the **net result** of the 1st quarter of the year amounted to €10.53 million.

The **debt ratio (before allocation of the balance of the dividend for the 2016/2017 financial year)** was 41.2% at 31 December 2017, compared with 42.6% at 30 September 2017.

Consolidated balance sheet at 31 December 2017

| CONSOLIDATED BALANCE SHEET (€000s) | 31/12/2017 | 30/09/2017 |
|------------------------------------|----------------|----------------|
| ASSETS | 628.190 | 625.414 |
| Investment properties | 618.925 | 613.317 |
| Other non-current assets | 3.010 | 2.877 |
| Assets held for sale | 0 | 0 |
| Trade receivables | 1.321 | 4.000 |
| Cash and cash equivalents | 2.664 | 2.919 |
| Other current assets | 2.270 | 2.301 |
| EQUITY AND LIABILITIES | 628.190 | 625.414 |
| Equity | 356.819 | 346.281 |
| Non-current financial debts | 190.681 | 185.455 |
| Other non-current liabilities | 9.354 | 10.421 |
| Deferred tax | 3.307 | 3.235 |
| Current financial debts | 62.216 | 69.183 |
| Other current liabilities | 5.813 | 10.839 |

³ Alternative Performance Measure (APM). See pages 7 and 8 of this press release.

Net asset value (NAV) per share

| (€000S) | 31/12/2017 | 30/09/2017 |
|-------------------------------|------------------|------------------|
| Total number of shares | 6.497.594 | 6.497.594 |
| NAV IFRS | 54,92 | 53,29 |
| NAV EPRA | 56,39 | 54,95 |

Events and significant transactions after 31 December 2017

There have been no significant events since 31 December 2017.

Outlook

Retail specialist Ascencio is pursuing its investment strategy focused on quality sites, located on the outskirts of major urban areas.

The targets are stand-alone stores, structured units and retail parks. Its focus is mainly on the Belgian, French and Spanish markets where Ascencio is already present, while also analysing certain opportunities in new markets.

Ascencio has a significant investment capacity taking into account its debt ratio of 41.2%.

Excluding significant unforeseen events and based on its current real estate portfolio, the projected results for the 2017/2018 financial year should allow the distribution of a gross dividend comparable to that of the previous financial year.

Financial calendar

| | |
|---|----------------------------|
| Semi-annual financial report as at 31 March 2018 | 11 June 2018 |
| Interim statement for the period ended 30 June 2018 | 2 August 2018 |
| Annual press release as of 30 September 2018 | 3 December 2018 |
| Ordinary general meeting of shareholders 2019 | 31 January 2019 at 2.30 pm |

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Reconciliation of Alternative Performance Measures (APMs) & EPRA Indicators

Following the coming into force of the ESMA (European Securities and Markets Authority) Guidelines on Alternative Performance Measures (APMs), APMs used in this press release are identified by an asterisk (*).

Definition of the APMs and the use made of them can be found at the end of the 2016/2017 Annual Report, which is available on Ascencio's website (www.ascencio.be).

1. Operating margin

| | | 31/12/2017 | 31/12/2016 |
|---|----------------|--------------|--------------|
| Operating result before result on portfolio (€000S) | = A | 8.740 | 8.483 |
| Rental income (€000S) | = B | 10.274 | 9.900 |
| OPERATING MARGIN | = A / B | 85,1% | 85,7% |

2. Average cost of debt

| | | 31/12/2017 | 31/12/2016 |
|---|----------------|----------------|----------------|
| Net interest charges (heading XXI) (€000S) | | 1.741 | 1.789 |
| Commissions on undrawn balances under credit facilities | | 69 | 66 |
| Opening commission and charges for credit facilities | | 9 | 8 |
| Change in fair value of caps | | 24 | 0 |
| TOTAL COST OF FINANCIAL DEBTS | = A | 1.843 | 1.863 |
| WEIGHTED AVERAGE DEBT FOR THE PERIOD | = B | 253.397 | 235.686 |
| AVERAGE COST OF DEBT | = A / B | 2,91% | 3,16% |

3. Hedging ratio

| (€000S) | | 31/12/2017 | 30/09/2017 |
|---|----------------|-------------------|-------------------|
| Fixed-rate financial debts | | 56.346 | 56.784 |
| Financial debts converted into fixed-rate debts by means of IRS | | 120.000 | 120.000 |
| Financial debts converted into capped-rate debts by means of caps | | 40.000 | 40.000 |
| TOTAL FIXED RATE OR CAPPED FINANCIAL DEBTS | = A | 216.346 | 216.784 |
| TOTAL VARIABLE RATE FINANCIAL DEBTS | | 36.551 | 37.854 |
| TOTAL FINANCIAL DEBTS | = B | 252.897 | 254.638 |
| HEDGING RATIO | = A / B | 85,5% | 85,1% |

4. Performance indicators according to the EPRA standards

4.1 Key figures

| | | 31/12/2017 | 30/09/2017 |
|---|---|------------|------------|
| EPRA NAV (000 EUR) | Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model. | 366.403 | 357.046 |
| EPRA NAV per share (EUR) | | 56,39 | 54,95 |
| EPRA Vacancy Rate | Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio. | 2,95% | 3,13% |
| | | 31/12/2017 | 31/12/2016 |
| EPRA Earnings (000 EUR) | Earnings from operational activities. | 6.746 | 6.520 |
| EPRA Earnings per share (EUR) | | 1,04 | 1,00 |
| EPRA Cost Ratio (including direct vacancy costs) | Administrative & operating costs (including costs of direct vacancy) divided by gross rental income. | 14,93% | 14,32% |
| EPRA Cost Ratio (excluding direct vacancy costs) | Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income. | 14,55% | 14,18% |

4.2 EPRA Earnings

| (€000s) | 31/12/2017 | 31/12/2016 |
|---|---------------|---------------|
| EARNINGS (OWNERS OF THE PARENT) PER IFRS INCOME STATEMENT | 10.533 | 11.993 |
| ADJUSTMENTS TO CALCULATE EPRA EARNINGS | -3.787 | -5.473 |
| (i) Change in value of investment properties, development properties held for investment and other interests | -2.608 | -2.739 |
| (ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests | 0 | 0 |
| (iii) Profits or losses on disposal of trading properties including impairment charges in respect of trading properties | 0 | 0 |
| (iv) Tax on profits or losses on disposals | 0 | 40 |
| (v) Negative Goodwill / Goodwill impairment | 0 | 0 |
| (vi) Change in fair value of financial instruments and associated close-out costs | -1.252 | -2.814 |
| (vii) Acquisition costs on share deals and non-controlling joint venture interests (IFRS 3) | 0 | 0 |
| (viii) Deferred tax in respect of EPRA adjustments | 73 | 40 |
| (ix) Adjustments (i) to (viii) above in respect of joint ventures | 0 | 0 |
| (x) Non-controlling interests in respect of the above | 0 | 0 |
| EPRA EARNINGS (OWNERS OF THE PARENT) | 6.746 | 6.520 |
| Number of shares | 6.497.594 | 6.497.594 |
| EPRA EARNINGS PER SHARE (EPRA EPS - €/SHARE) | 1,04 | 1,00 |

4.3 EPRA NAV

| (€000s) | 31/12/2017 | 30/09/2017 |
|--|----------------|----------------|
| NAV PER THE FINANCIALS STATEMENTS (OWNERS OF THE PARENT) | 356.819 | 346.281 |
| Number of shares | 6.497.594 | 6.497.594 |
| NAV PER THE FINANCIALS STATEMENTS (€/SHARE) (OWNERS OF THE PARENT) | 54,92 | 53,29 |
| Effect of exercise of options, convertibles and other equity interests (diluted basis) | 0 | 0 |
| DILUTED VAN, AFTER THE EXERCISE OF OPTIONS, CONVERTIBLES AND OTHER EQUITY INTERESTS | 356.819 | 346.281 |
| Include : | | |
| (i) Revaluation of investment properties | 0 | 0 |
| (ii) Revaluation of investment properties under construction | 0 | 0 |
| (iii) Revaluation of other non-current investments | 0 | 0 |
| Exclude : | | |
| (iv) Fair value of financial instruments | 6.277 | 7.530 |
| (v.a) Deferred tax | 3.307 | 3.235 |
| (v.b) Goodwill as a result of deferred tax | 0 | 0 |
| Include/exclude : | | |
| Adjustments (i) to (v) in respect of joint venture interests | 0 | 0 |
| EPRA NAV (OWNERS OF THE PARENT) | 366.403 | 357.046 |
| Number of shares | 6.497.594 | 6.497.594 |
| EPRA NAV PER SHARE (€/SHARE) (OWNERS OF THE PARENT) | 56,39 | 54,95 |

4.4 EPRA vacancy rate

| (€000s) | 31/12/2017 | | | | 30/09/2017 | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Belgium | France | Spain | TOTAL | Belgium | France | Spain | TOTAL |
| Estimated rental value (ERV) of vacant space | 936 | 273 | 0 | 1.209 | 818 | 466 | 0 | 1.285 |
| Estimated rental value (ERV) of total portfolio | 25.218 | 13.846 | 1.976 | 41.040 | 25.201 | 13.880 | 1.938 | 41.020 |
| EPRA VACANCY RATE (%) | 3,71% | 1,97% | 0,00% | 2,95% | 3,25% | 3,36% | 0,00% | 3,13% |

4.5 EPRA cost ratio

| (€000s) | 31/12/2017 | 31/12/2016 |
|---|---------------|---------------|
| ADMINISTRATIVE/OPERATING EXPENSE LINE PER IFRS STATEMENT | -1.534 | -1.417 |
| Rental-related charges | 45 | -74 |
| Recovery of property charges | 0 | 0 |
| Rental charges and taxes normally paid by tenants on let properties | -58 | -71 |
| Other revenue and expenditure relating to rental | 21 | 1 |
| Technical costs | -149 | -134 |
| Commercial costs | -36 | -8 |
| Charges and taxes on unlet properties | -39 | -14 |
| Property management costs | -268 | -274 |
| Other property charges | -73 | -33 |
| Corporate overheads | -956 | -811 |
| Other operating income and charges | -21 | 0 |
| EPRA COSTS (INCLUDING DIRECT VACANCY COSTS) | -1.534 | -1.417 |
| Charges and taxes on unlet properties | 39 | 14 |
| EPRA COSTS (EXCLUDING DIRECT VACANCY COSTS) | -1.495 | -1.403 |
| GROSS RENTAL INCOME | 10.274 | 9.900 |
| EPRA COST RATIO (INCLUDING DIRECT VACANCY COSTS) (%) | 14,93% | 14,32% |
| EPRA COST RATIO (EXCLUDING DIRECT VACANCY COSTS) (%) | 14,55% | 14,18% |