
**FINANCIAL REPORT OF THE STATUTORY MANAGER
FOR THE FIRST HALF OF FINANCIAL YEAR 2017-2018**

OPERATING RESULTS

- Rental income: €20.57 million, up by 1.7%
- EPRA Earnings¹ of €13.58 million, up by 2.2%

EARNINGS PER SHARE

- EPRA Earnings¹: €2.06 per share

PROPERTY PORTFOLIO

- Sale of the Overijse semi-industrial site, in the context of the policy of disposing of non-strategic assets
- Value of the portfolio: €615 million, up by 0.3% on a like-for-like basis (constant scope)
- Geographical diversification of the portfolio:
 - 62% in Belgium
 - 33% in France
 - 5% in Spain
- Occupancy rate up: 97.7% (compared with 97.0% at 30 September 2017)

FINANCIAL STRUCTURE

- Debt ratio² 42.2% at 31 March 2018

¹ Alternative Performance Measure (APM). See pages 32 to 37.

² Debt ratio calculated in accordance with the Royal Decree of 28 April 2018 on Regulated Real Estate Companies.

1. Presentation

Ascencio SCA is a Public Regulated Real Estate Company (Société Immobilière Réglementée Publique or "SIRP", hereinafter referred to in the English translation as a "public B-REIT" (Belgian real estate investment trust)). It specialises in commercial premises located in outlying urban areas. Its portfolio currently comprises 103 properties in spread among Belgium, France and Spain, which generate rental income of €41.4 million a year. At 31 March 2018, the fair value of the portfolio stood at €615 million.

Some ten sectors of activity are represented, but with a predominance of the food sector (33% of annual rentals) under such brand names as the Mestdagh group, Carrefour, Grand Frais (France), Delhaize, Aldi and Lidl. Other major tenants include Brico/Brico Plan It, Worten, Decathlon, Krëfel, Hubo, Orchestra and Conforama (France).

Ascencio SCA is listed on Euronext Brussels. Its stock market capitalisation amounted to €342 million at 31 March 2018. The share price at that date was: €51.80.

2. Interim Management Report

2.1. Consolidated results

CONSOLIDATED RESULTS - ANALYTICAL FORM (€000S)	31/03/2018	31/03/2017
RENTAL INCOME	20,572	20,235
Charges linked to letting	20	-119
Taxes and charges not recovered	-6	-79
PROPERTY RESULT	20,586	20,037
Property charges	-1,271	-1,167
Corporate overheads	-1,814	-1,634
Other income and operating costs	-22	-
OPERATING RESULT BEFORE RESULT ON PORTFOLIO	17,480	17,236
OPERATING MARGIN^(*)	85.0%	85.2%
Financial income (excl. impact of IAS 39)	-	3
Net interest charges	-3,441	-3,602
Other financial charges	-186	-166
Taxes	-270	-178
EPRA EARNINGS ^(*)	13,583	13,293
Net gains and losses on sales of investment property	-15	-
Changes in the fair value of investment property	2,040	8,918
Other portfolio result	-	-
Portfolio result	2,025	8,918
Changes in fair value of financial assets and liabilities	2,270	4,562
Deferred tax	-80	-162
Taxes on net gains and losses on disposals	-	-40
Exit Tax	-	-
NET RESULT	17,798	26,571

(*) Alternative Performance Measure (APM). See pages 32 to 37.

CONSOLIDATED RESULT PER SHARE (euros)	31/03/2018	31/03/2017
EPRA Earnings (EUR)	2.06	2.05
Earnings per share (EPS) (euros)	2.70	4.09

NUMBER OF SHARES	31/03/2018	31/03/2017
Weighted average number of shares entitled to the dividend	6,595,985	6,497,594
Total number of shares issued	6,595,985	6,497,594

The increase in the number of shares is the result of the issue of 98,391 new shares in the context of the optional dividend in shares.

Rental incomes for the first half of the financial year amounted to **€20.57 million**, up by 1.7% on the first half of financial year 2016/2017.

At constant scope, rental income was down by 0.25%. This decline was due to the effect of rental vacancies in 2016/17; these are gradually being eliminated.

The following table shows **rental income by country**:

RENTAL INCOME (€000S)	31/03/2018		31/03/2017	
Belgium	12,723	62%	12,347	61%
France	6,905	34%	7,003	35%
Spain	944	5%	885	4%
TOTAL	20,572	100%	20,235	100%

Property result amounted to **€20.59 million** (up by 2.7% on the half-year to 31 March 2017).

After deduction of property charges and general expenses, the **operating result before result on portfolio** was €17.48 million (€17.23 million for H1 of the previous financial year), or an increase of 1.4%. The operating margin came to 85.0%.

Net interest expense, including the cash flows generated by interest rate hedging instruments (described hereunder) amounted to €3.44 million for the half-year to 31 March 2018, down by 4.5% from H1 2016/2017.

The **average cost of debt**³ (2.89% including margins and the cost of hedging instruments) was down compared with the first six months of the 2016/2017 financial year (2.99%).

After the maturity on 30 June 2018 of an IRS of €50 million at a fixed rate of 4.35%, the average cost of borrowing will diminish significantly from July 2018. Thanks to the interest rate hedging policy put in place, the group's **hedging ratio**⁴ is currently 84% and based on the current level of debt it will be above 73% for the next four financial years.

Taxes consist of taxes relating to the results of the Spanish subsidiary and the French tax charge on the results from French assets.

EPRA earnings for the first half-year amounted to €13.58 million compared with €13.29 million

³ Alternative Performance Measure (APM). See pages 32 to 37.

⁴ Hedging ratio = (Fixed rate debt + Notional amount of interest rate hedging instruments) / Total financial debt.

for the six months to 31 March 2017, an increase of 2.2%.

EPRA earnings per share amounted to €2.06, compared with €2.05 for the first half of the previous financial year.

Non-monetary items in the income statement amounted to:

- +€2.0 million representing the change in fair value of investment properties (IAS 40) as a result of the higher appraisal values of the properties;
- +€2.3 million increase in the fair value of interest rate hedging instruments (IAS 39);
- -€0.1 million of deferred tax relating to the deferred taxation (5% withholding at source) of unrealised capital gains on the French assets.

After taking account of these non-monetary items, **net income** for the first six months of the financial year came to €17.8 million as against €26.57 million for the six months to 31 March 2017.

2.2. Consolidated balance sheet

CONSOLIDATES BALANCE SHEET (€000S)	31/03/2018	30/09/2017
ASSETS	627,744	625,414
Investment properties	615,472	613,317
Other non-current financial assets	2,596	2,877
Assets held for sale	-	-
Trade receivables	1,316	4,000
Cash and cash equivalents	2,022	2,919
Other current financial assets	6,338	2,301
EQUITY AND LIABILITIES	627,744	625,414
Equity	347,786	346,281
Non-current financial debts	192,152	185,455
Other non-current financial liabilities	11,729	13,656
Deferred taxes	-	-
Current financial debts	66,350	69,183
Other current liabilities	9,727	10,839

At 31 March 2018, 98.0% of the assets in the consolidated balance sheet were investment properties (30 September 2017: 98.1%).

On the liabilities side, financial liabilities amounted to €258.5 million, compared with €254.6 million at 30 September 2017.

The financial liabilities are divided into four types of financing:

(€000S)	31/03/2018	30/09/2017
Roll over bank borrowing	198,050	199,900
Commercial paper	50,000	43,000
Finance leases	1,874	2,161
Investment credits	8,578	9,577
Total financial debts	258,502	254,638

At 31 March 2018, Ascencio had roll-over bank credit facilities of €270.5 million available in the form of advances. The unutilised portion of these lines amounted to €72.5 million.

At 31 March 2018 the maturity schedule of these bank credit facilities was as follows:

- 2017/2018: €15.0 million
- 2018/2019: €75.0 million
- 2019/2020: €30.0 million
- 2020/2021: -
- 2021/2022: €32 million
- 2022/2023: €63.5 million
- 2023/2024: €25 million
- 2024/2025: €30.0 million

In June 2016, in order to reduce its **average cost of debt**, Ascencio put a commercial paper programme in place. At 31 March 2018 this programme was used for short-term issues amounting to €50 million. In order to hedge the risk of non-renewal of commercial paper issued, Ascencio makes sure that, under its credit lines available by way of fixed term loans, it always has undrawn balances at least equal to its outstanding commercial paper.

Other non-current liabilities of €11.7 million (31 March 2017: €13.7 million) included the fair value of interest rate hedging instruments (€6.2 million, compared with €8.3 million at 30 September 2017).

The consolidated **debt ratio** stood at 42.2% at 31 March 2018 as against 42.6% at 30 September 2017.

At 31 March 2018 Ascencio had **investment capacity** of €98 million before its ratio would exceed the 50% threshold.

2.3. Net asset value per share

At 31 March 2018, net asset value per share amounted to €52.73 (compared with €53.29 at 30 September 2017 before appropriation of profit and before the increase in the number of shares resulting from the optional dividend).

	31/03/2018	31/03/2017	30/09/2017
Net asset value (NAV) (€000S)	347.786	331.708	346.281
Restatements:			
Fair value of financial instruments (IRS & CAP) (€000S)	5.260	9.555	7.530
Deferred tax	3.316	3.211	3.235
Net asset value (NAV) EPRA (€000S)	356.361	344.474	357.046
Number of shares	6.595.985	6.497.594	6.497.594
NAV per share (EUR)	52,73	51,05	53,29
NAV EPRA per share (EUR)	54,03	53,02	54,95

2.4. The real estate portfolio

At 31 March 2018 Ascencio held a portfolio of 103 properties located in Belgium, France and Spain, the fair value of which amounted to €615 million.

The following table shows the geographical breakdown of the property portfolio excluding projects:

COUNTRY	Investment value (€000S)	Fair value (€000S) (%)	Contractual rents (€000S)	Occupancy rate (%)	Gross yield (%)
Belgium	385,449	376,023 61.5%	25,501	97.0%	6.62%
France	217,351	204,811 33.5%	13,939	98.8%	6.41%
Spain	31,960	30,920 5.1%	1,914	100.0%	5.99%
TOTAL	634,760	611,754 100%	41,354	97.70%	6.51%

Investments during the first half of the financial year

During the first half of the financial year, Ascencio made €3.5 million of investments, most notably the acquisition of the 1,963 m² store operated by Mr Bricolage in the Bellefleur retail park in Couillet, thus completing its ownership of the site.

Divestments during the first half of the financial year

During the first half of the financial year, Ascencio sold the 9,259 m² mixed (offices and warehouse) property located at Overijse, in the context of its strategy of disposal of non-strategic assets.

Occupancy rate

At 31 March 2018, the occupancy rate of the portfolio stood at 97.7%, higher than at 30 September 2017 thanks to new leases on a number of rental vacancies and the sale of the Overijse site, which had been only partly occupied.

During this half-year Ascencio concluded leases of the vacant sites in its Crèches sur Saône retail park, which now has 100% occupancy. At the Pontet site, the area left vacant following Aldi's departure was let to the Satoriz bio-products chain.

Composition of the portfolio at 31 March 2018

Breakdown by sector (1)		Geographical distribution (1)	
Retail	99.3%	Belgium	61.5%
Other	0.7%	• Wallonia	50.4%
Total	100%	• Flanders	8.5%
		• Brussels	2.5%
		France	33.5%
		Spain	5.1%
		Total	100%

(1) Distribution established on the basis of fair value

Breakdown by business (2)		Breakdown of tenants (2)	
Food	33.2%	Grand Frais	11.7%
Textiles / Fashion	13.8%	Groupe Mestdagh	9.5%
Leisure	11.7%	Carrefour	7.1%
DIY	9.9%	Brico Plant It / Brico	6.6%
Furniture - Interior decorating	8.4%	Decathlon	3.4%
Household appliances	7.6%	Worten	3.2%
Horeca	2.7%	Krefel	2.2%
Other	12.7%	Hubo	2.1%
Total	100%	Delhaize	2.0%
		Orchestra	2.0%
		Others	50.3%
		Total	100%

(2) Distribution established on the basis of rentals received

The food retail sector accounted for 33% of Ascencio's rental income in the six months to 31 March 2018. Thanks to the quality of the site locations, the attractive level of rentals and the limited impact of e-commerce on this segment, the food sector remains a defensive segment of Ascencio's portfolio.

In France, Ascencio's food portfolio basically consists of 18 Grand Frais sites. Grand Frais is performing well and continuing to expand. Ascencio also holds an Aldi supermarket in France.

In Belgium, Ascencio owns 42 supermarkets, of which

- 24 operated by the Mestdagh group (€3.91 million in annual rentals);
- 12 operated by the Carrefour group (€2.92 million in annual rentals);
- 3 operated by the Delhaize group (€0.85 million in annual rentals);
- 1 Aldi supermarket and 1 Lidl supermarket (€0.22 million in annual rentals).

The restructuring operations announced recently by the Carrefour group and the Mestdagh group have not had any effect on Ascencio's activities:

- As regards the restructuring announced by the Carrefour group, it concerns the stores operated in the hypermarket format, none of which is in Ascencio's portfolio.
- As regards the restructuring announced by the Mestdagh group, the restructuring plan presented by general management to the works council on 7 May last does not envisage any store closures. Prior to the announcement of this restructuring, the Mestdagh group had informed Ascencio of its decision to vacate two points of sale upon the three-year expiry of the leases on 31 August 2018. The impact on the results of these two departures will be very limited (€189,000 in annual rentals). Ascencio is working on the reconversion/re-letting of these two sites.

2.5. Events after the reporting period

There have been no significant events since 31 March 2018.

2.6. Main risks and uncertainties

The basic risks to which the company is exposed remain those described in the chapter headed "Risk factors" in the Annual Report for 2016-2017. Ascencio takes care to apply the measures and procedures it has established in order to anticipate and control them.

2.7. Related party transactions

During the first half of the financial year 2017-2018, apart from the remuneration of the CEO, the directors and the *dirigeants effectifs* (executive managers as per the B-REITS Act), only one related party transaction was carried out. The board of directors decided on 1 February 2018 to agree to the request for a 13.6% reduction in the rental made by Mestdagh S.A. in respect of its Frameries supermarket. The new rental remains higher than the ERV (estimated rental value) determined by the expert.

Furthermore, no other related party transaction outside the normal framework of commercial relations between Ascencio, its statutory manager, its subsidiaries and its habitual service providers was carried out.

2.8. Outlook

Ascencio, a retail specialist, continues to pursue its investment strategy focused on quality sites located on the outskirts of major conurbations.

The targets are stand-alone stores, structured complexes and retail parks. Ascencio focuses its attention more particularly on the Belgian, French and Spanish markets where it is already present, while at the same time studying certain opportunities in new markets.

Ascencio has significant investment capacity given its debt ratio of 42.2 %.

The diversification of its portfolio, both geographically and in terms of the various retail sectors, as well as the resilient and defensive nature of its assets in the food segment, constitute a solid basis for the future results of the portfolio.

In the absence of any major unforeseen events, and on the basis of its current portfolio, the operating result of the properties for the financial year 2017/2018 is expected to be comparable to that of the previous financial year (€37.6 million in 2016/2017). EPRA earnings for the current financial year will be affected by the due diligence and structuring costs of a major investment project studied during the third quarter of the financial year which did not come to fruition. The non-recurring costs amount to €0.9 million.

Based on current assumptions, and in the absence of any major unforeseen events, Ascencio is confident of being able to distribute a dividend for the current financial year at least comparable with that of the previous financial year.

3. Property experts' report

3.1. Property experts

Quarterly valuation of the portfolio has been entrusted to the following experts:

- Jones Lang LaSalle (Brussels), represented by Mr Rod Scrivener;
- Cushman & Wakefield (Brussels), represented by Ardalan Azari;
- CBRE (Brussels), represented by Pieter Paepen;
- Cushman & Wakefield (Neuilly-sur-Seine, France), represented by Valérie Parmentier;
- Jones Lang LaSalle Expertises (Paris, France), represented by Christophe Adam;
- Cushman & Wakefield (Madrid, Spain), represented by Tony Loughran.

They will establish the fair value of Ascencio SCA's assets every quarter until the end of the financial year 2017/2018.

3.2. Rapport des experts



Bruxelles le 31 mars 2018

Dear Sir, Dear Madam,

In accordance to the article 47 of the law of 12 May 2014 on the Belgian Real Estate Investment Trusts (SIR/GVV), you asked Jones Lang LaSalle, CBRE and Cushman & Wakefield to value the buildings situated in Belgium, France and Spain and belonging to the BE-REIT.

Our mission has been realized in complete independence.

In accordance with established practice, our mission has been realized based on the information communicated by Ascencio regarding rental condition, charges and taxes carried by the lessor, work to be realized, as well as all other elements that might influence the value of the buildings. We suppose this information to be exact and complete. As stated explicitly in our valuation reports, this does not include in any way the valuation of structural and technical quality of the building, nor an analysis of the presence of any harmful material. These elements are known by Ascencio, that manages its portfolio in a professional manner and carries a technical and juridical due diligence before the acquisition of each building.

Every building has been visited by the experts. The details of our calculations, our comments on the real estate market and the conditions of our engagement are put in attachment. The experts work with the software « Circle Investment Valuer » or Excel.

The investment value can be defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The experts have adopted two different methods: the « Term and Reversion » method and the « Hardcore » method. Besides, they also did a control in terms of price per m².

According to the « Term and Reversion » method, the capitalization of the revenues takes into account the actual revenue until the end of the current contract, and then takes the estimated rental value in perpetuity. According to the « Hardcore » method, the estimated rental value is capitalized in perpetuity before looking at adjustments that take into account surfaces that are rented below or above their rental value, void, etc.

The yield, used for both methods, represents the expected yield for investors for this kind of properties. It reflects the intrinsic risks of the good and the sector (future void, credit risk, maintenance obligations, etc.). To determine this yield, experts based themselves on the most comparable transactions and current transactions in their investment department.

When there are unusual factors or specific factors applicable to a property, corrections will be applied (important renovations, non-recoverable costs...).

The sale of a property is in theory subjected to transaction costs. This amount depends among others on the method of transfer, the type of buyer and the geographic location of the property. This amount is known once the sale is closed. As independent real estate experts we can admit that based on a representative sample of transactions in the market between 2002 and 2005 (and recently revised for the period 2013-2016), the weighted average of the costs (average of the transaction costs) was 2,5% (for goods with a net value superior to 2.500.000 EUR).

The properties are considered as a portfolio.

The transaction costs for buildings located in France is 1,8% when the building is less than 5 years old and 6,9% otherwise.

Based on the remarks in previous paragraphs, we confirm that the investment value of the real estate portfolio of Ascencio on 31 March 2018 amounts to:

638.571.000 EUR

(Six hundred thirty-eight million five hundred seventy-one thousand euro)

This amount takes into account the value attributed to the buildings valuated by the companies CBRE, Jones Lang LaSalle and Cushman & Wakefield.

After deduction of respectively 2,5% for buildings located in Belgium (average rate of transaction costs defined by the experts of the BE-REITS), 1,8%/6,9% for building located in France and 2,5% for buildings located in Spain, as transaction cost on the investment value, we obtain a Fair Value of:

615.472.000 EUR

(Six hundred fifteen million four hundred seventy-two thousand euro)

This amount takes into account the value attributed to the buildings valuated by the companies CBRE, Jones Lang LaSalle and Cushman & Wakefield.

We stay at your entire disposition if any questions about the report would remain. In the meantime we offer you our kind salutations,



Ardalan Azari
Associate
Valuation & Advisory

Cushman & Wakefield Belgique



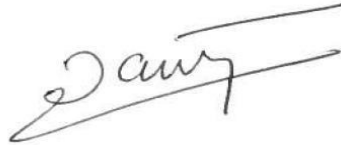
Tony Loughran MRICS
Partner – Head of Valuation &
Advisory

Cushman & Wakefield España



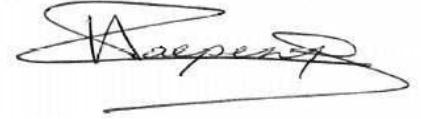
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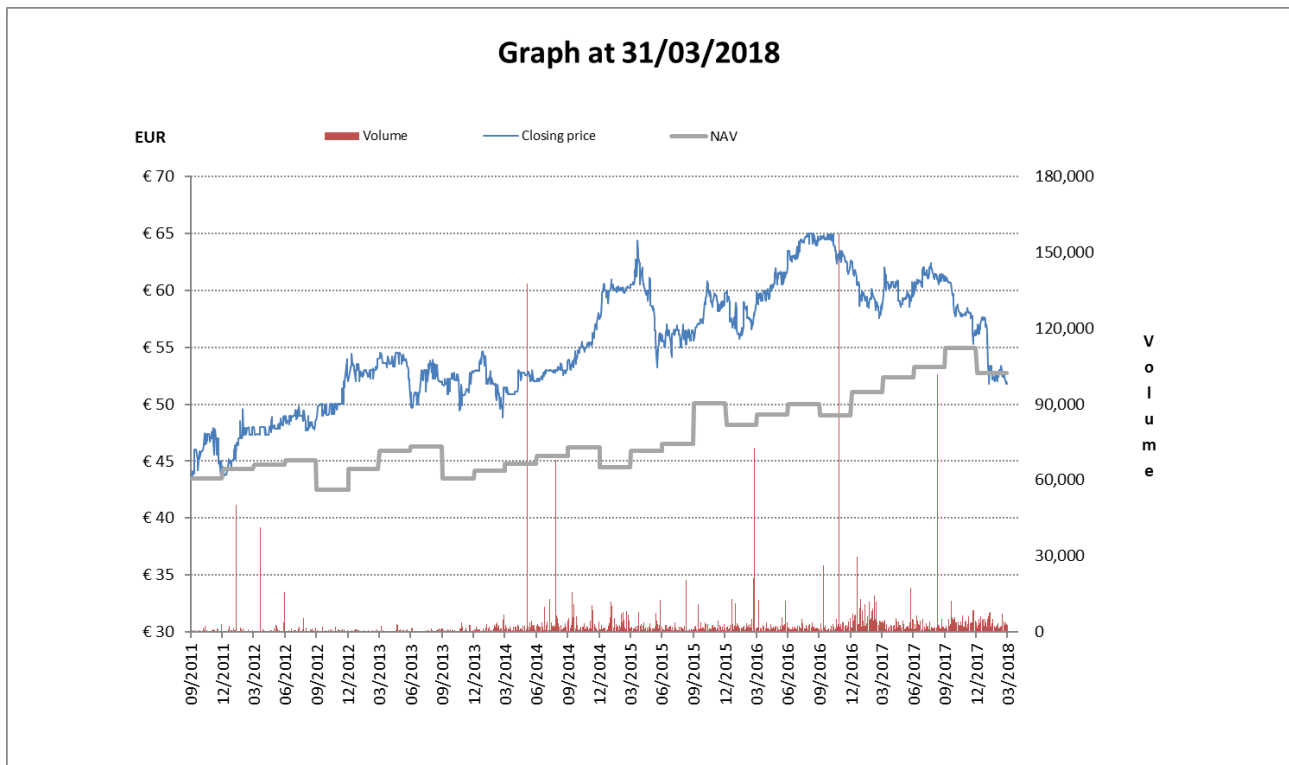


Christophe Adam MRICS
Regional Manager

Jones Lang LaSalle Expertises
France

4. Ascencio on the stock exchange

4.1. Trends in closing price and net asset value⁵



First listed on 14 February 2007, Ascencio's stock is currently listed on the Euronext Brussels continuous market. It forms part of the BEL Mid Index⁶.

On 31 March 2018 the closing price was €51.80. At that date Ascencio stock was thus trading at a 4.1% discount relative to its EPRA NAV.

4.2. Dividend paid

The General Meeting of Shareholders of 31 January 2018 approved the appropriation of profit as proposed by the Board of Directors. Consequently the Meeting resolved to declare a gross dividend of €3.30 per share.

This dividend (coupon No. 15) was payable on 27 February 2018 in the context of an optional dividend in shares. Shareholders of 33% of the shares of Ascencio opted to receive new shares instead of a cash interim dividend payment. This led to Ascencio's carrying out a capital increase of €5 million by issuing 98,391 new shares, bringing the total number of Ascencio shares to 6,595,985. These new shares, issued on 27 February 2018, are entitled to share in the results with effect from 1 October 2017.

⁵ The trend in closing price is shown up to 31 March 2018 inclusive. The net asset value covers the period between two announcements of results.

⁶ The BEL Mid index is made up of stocks not included in the BEL20 index, having a higher free float market capitalisation than the level of the BEL20 index multiplied by €55,000 and a free-float velocity of at least 15%.

4.3. Shareholders of Ascencio SCA at 31 March 2018

The shareholding of Ascencio SCA is as follows according to the declarations of transparency registered at 31 March 2018:

SHAREHOLDER	Number of shares	Percentage held
AG Finance SA	798,224	12.10%
Carl, Eric and John Mestdagh and Fidagh SA	625,809	9.49%
Flottant	5,171,952	78.41%
TOTAL	6,595,985	100.00%

5. Condensed consolidated financial statements

5.1. Consolidated balance sheet at 31 March 2018

CONSOLIDATED BALANCE SHEET (€000S)	31/03/2018	30/09/2017
ASSETS		
I NON-CURRENT ASSETS		
A Goodwill	-	-
B Intangible assets	21	41
C Investment porperties	615,472	613,317
D Other tangible assets	1,115	1,594
E Non-current financial assets	1,460	1,242
F Finance lease receivables	-	-
G Trade receivables and other non-current assets	-	-
H Deferred tax assets	-	-
TOTAL NON-CURRENT ASSETS	618,068	616,194
II CURRENT ASSETS		
A Assets held for sale	-	-
B Current financial assets	-	-
C Finance lease receivables	-	-
D Trade receivables	1,316	4,000
E Tax receivables and other current assets	1,897	1,972
F Cash and cash equivalentns	2,022	2,919
G Deferred charges and accrued income	4,441	329
TOTAL CURRENT ASSETS	9,676	9,220
TOTAL ASSETS	627,744	625,414

CONSOLIDATED BALANCE SHEET (€000S)	31/03/2018	30/09/2017
EQUITY		
I EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY	347,786	346,281
A Capital	38,659	38,069
B Share premium account	253,353	248,975
C Reserves	37,976	18,040
b. Reserve for changes in fair value of properties	35,934	27,347
c. Reserve for estimated transaction costs resulting from hypothetical disposal of investment properties	-10,220	-10,389
e. Reserve for changes in fair value of authorised hedging instruments to which IFRS hedge accounting is not applied	-7,743	-14,327
m. Other reserves	20,006	15,409
D Net result for the financial year	17,798	41,197
I NON-CONTROLLING INTERESTS	0	0
TOTAL EQUITY	347,786	346,281
LIABILITIES		
I NON-CURRENT LIABILITIES	203,881	199,111
A Provisions	67	105
B Non-current financial debts	192,152	185,455
a. Credit institutions	190,570	183,887
b. Finance leases	1,582	1,568
C Other non-current financial liabilities	8,346	10,316
D Trade debts and other non-current debts	-	-
F Deferred tax liabilities	3,316	3,235
a. Exit tax	2,696	2,696
b. Other	620	539
II CURRENT LIABILITIES	76,077	80,022
B Current financial debts	66,350	69,183
a. Credit institutions	16,058	25,590
b. Finance leases	292	593
c. Other	50,000	43,000
C Other current financial liabilities	-	-
D Trade debts and other current debts	3,854	9,239
a. Exit tax	-	428
b. Other	3,854	8,811
F Accrued charges and deferred income	5,873	1,600
TOTAL LIABILITIES	279,958	279,133
TOTAL EQUITY AND LIABILITIES	627,744	625,414

5.2. Consolidated statement of comprehensive income for the six months ended 31 March 2018

CONSOLIDATED NET RESULT (€000S)		31/03/2018	31/03/2017
I	Rental income	20,572	20,235
III	Charges linked to letting	20	-119
NET RENTAL RESULT		20,592	20,116
IV	Recovery of property charges	-	-
V	Recovery of rental charges and taxes normally paid by tenants on let properties	5,177	4,967
VII	Rental charges and taxes normally paid by tenants on let properties	-5,200	-5,040
VIII	Other revenue and charges for letting	17	-6
PROPERTY RESULT		20,586	20,037
IX	Technical costs	-291	-360
X	Commercial costs	-90	-16
XI	Rental charges and taxes on unlet properties	-190	-122
XII	Property management costs	-548	-538
XIII	Other property charges	-152	-131
PROPERTY CHARGES		-1,271	-1,167
PROPERTY OPERATING RESULT		19,315	18,870
XIV	Corporate overheads	-1,814	-1,634
XV	Other operating income and charges	-22	-
OPERATING RESULT BEFORE RESULT ON PORTFOLIO		17,480	17,236
XVI	Net gains and losses on disposals of investment properties	-15	-
XVIII	Changes in the fair value of investment properties	2,040	8,918
XIX	Other result on the portfolio	-	-
OPERATING RESULT		19,505	26,154
XX	Financial income	-	3
XXI	Net interest charges	-3,441	-3,602
XXII	Other financial charges	-186	-166
XXIII	Changes in fair value of financial assets and liabilities	2,270	4,562
FINANCIAL RESULT		-1,357	797
PRE-TAX RESULT		18,148	26,951
XXV	Corporate tax	-350	-380
XXVI	Exit Tax	-	-
TAXES		-350	-380
NET RESULT		17,798	26,571
- Résultat net - Part du groupe		17,798	26,571
- Net result - Non-controlling interests		-	-
BASIC NET RESULT AND DILUTED (€/SHARE, GROUP SHARE)		2.70	4.09

STATEMENT OF COMPREHENSIVE INCOME (€000S)		31/03/2018	31/03/2017
I	NET RESULT	17,798	26,571
II	OTHER COMPREHENSIVE INCOME RECYCLABLE UNDER THE INCOME STATEMENT	14	-60
A.	Impact on fair value of estimated transaction costs resulting from hypothetical disposal of investment properties	-	-
B.	Other comprehensive income of the year, net of tax	14	-60
	TOTAL COMPREHENSIVE INCOME OF THE YEAR	17,812	26,511
	Attributable to - Group share	17,812	26,511
	- Non-controlling interests	-	-

5.3. Consolidated statement of cash flows

CONSOLIDATED STATEMENT OF CASH FLOW (€000S)	31/03/2018	31/03/2017
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	2,919	3,341
Net result for the financial year	17,798	26,571
Financial result	1,357	-797
Net capital gains or losses realised on disposal of assets	-15	0
Income tax expense (- tax income)	350	380
Income statement items without treasury impact	2,202	-4,695
+/- Changes in the fair value of investment properties	-2,040	-8,918
+ Depreciation	27	33
+ Reductions in value	-20	119
+/- Changes in accrued charges and deferred income	4,273	4,183
+/- Changes in accrued charges and deferred income	-38	-112
Changes in working capital requirement	-6,412	-5,261
+/- Changes in trade receivables	2,704	3,227
+/- Changes in tax receivables and other current assets	75	-912
+/- Changes in deferred charges and accrued income	-4,112	-3,865
+/- Changes in trade debts and other current debts	-5,079	-3,711
Changes in non-current operating assets and liabilities	-3	2,425
+/- Changes in non-current financial assets	-3	-6
+/- Changes in trade debts and other non-current debts	0	-428
+/- Changes in non-current deferred tax liabilities	0	2,859
Taxes paid	-576	-2,945
NET CASH FLOW FROM OPERATING ACTIVITIES	14,700	15,678
- Acquisition of investment properties	-3,474	0
- Projects in course of development	0	-1,742
- Acquisition of real estate companies	0	-14,187
- Acquisition of intangible assets	0	0
- Acquisition of tangible assets	472	-443
+ Disposals of investment properties	3,359	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES	357	-16,372
Costs of capital increase	-31	-36
Net change in financial liabilities	3,864	30,306
- Reimbursement of financial debts and working capital of acquired companies	0	-13,514
Other changes in financial assets and liabilities	281	-1
Gross dividend paid	-16,442	-12,799
Finance charges paid	-3,627	-3,765
NET CASH FLOW FROM FINANCING ACTIVITIES	-15,955	191
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	2,022	2,837

5.4. Consolidated statement of changes in equity

(€000S)	Reserves							Résultats	Total equity
	Capital	Share premium account	Net changes in fair value of properties	Impact of transaction costs on fair value	Net changes in fair value of non-IFRS hedging instruments	Other reserves			
BALANCE AT 30/09/2016	37,271	242,240	10,337	-10,389	-14,489	12,825	40,237	318,032	
Distribution of dividends							-12,799	-12,799	
Appropriation to reserves			15,005		162	4,703	-19,870	0	
Capital increase	797	6,735					-7,568	-36	
Net result							26,571	26,571	
Other elements recognised in the global result			-60					-60	
Reclassification of reserves			2,119			-2,119		0	
Adjustment to reserves								0	
BALANCE AT 31/03/2017	38,069	248,975	27,400	-10,389	-14,327	15,409	26,571	331,708	

(000 EUR)	Reserves							Résultats	Total equity
	Capital	Share premium account	Net changes in fair value of properties	Impact of transaction costs on fair value	Net changes in fair value of non-IFRS hedging instruments	Other reserves			
BALANCE AT 30/09/2017	38,069	248,975	27,347	-10,389	-14,327	15,409	41,197	346,281	
Distribution of dividends							-16,443	-16,443	
Appropriation to reserves			8,573		6,584	4,597	-19,754	0	
Capital increase	590	4,378					-5,000	-32	
Net result							17,798	17,798	
Other elements recognised in the global result			14					14	
Reclassification of reserves			0			0		0	
Adjustment to reserves				169				169	
BALANCE AT 31/03/2018	38,659	253,353	35,934	-10,220	-7,743	20,006	17,798	347,786	

Capital increase:

On 27 February 2018, Ascencio carried out a capital increase of €5,000,230.62 by capitalising dividend receivables and issuing 98,391 new shares.

Based on the accounting par value of the shares (€6.00), the amount of the transaction broke down as follows:

- To share capital: €590,346,00
- To issue premium: €4,409,884.62 EUR

5.5. Notes to the condensed consolidated financial statements

NOTE 1 General information and accounting methods

General information

Ascencio SCA (hereinafter "Ascencio SCA" or "the Company") is a Public Regulated Real Estate Company (*Société Immobilière Réglementée Publique* or "SIRP", hereinafter referred to in the English translation as a "public B-REIT" (Belgian real estate investment trust)) incorporated under Belgian law. Its financial year runs from 1 October to 30 September. The Company's condensed consolidated financial statements to 31 March 2018 cover the period from 1 October 2017 to 31 March 2018. They were approved by the Board of Directors of the Statutory Manager on 07 June 2018.

All amounts are expressed in thousands of euros unless otherwise stated.

Basis of preparation and accounting methods

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as published and effective at 31 March 2018 and adopted by the European Union.

The consolidated financial statements have also been prepared in accordance with the provisions of the Royal Decree of 28 April 2018 on regulated property companies.

Some new standards come into force in 2018 but they do not affect the accounting and valuation principles.

The bases of preparation and accounting methods are identical to those set out in the Annual Report for 2016/2017 (pages 93 to 98), available on the Company's website (www.ascencio.be).

Valuation method applied by the experts (Jones Lang LaSalle, Cushman & Wakefield and CBRE)

The valuation method applied by the property experts remains identical. It is explained in detail in the Annual Report for 2016/2017.

NOTE 2 Sector information

The breakdown of the operating result on the properties by country is as follows:

CONSOLIDATED RESULTS (€000S)	Belgium		France		Spain		TOTAL	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Property result	12,751	12,310	6,891	6,842	944	885	20,586	20,037
Property charges	-948	-936	-309	-231	-14	0	-1,271	-1,167
PROPERTY OPERATING RESULT	11,803	11,374	6,582	6,611	930	885	19,315	18,870

This segmentation is consistent with the group's organisation and the Company's internal reporting provided to the Management.

NOTE 3 Investment property

(€000S)	31/03/2018	30/09/2017
Properties available for lease	611,754	609,693
Development projects	3,718	3,624
Assets held for own use	0	0
Others	0	0
BALANCE AT THE END OF THE FINANCIAL YEAR	615,472	613,317

Investment properties comprise:

- properties available for rental (point A hereunder);
- development projects (see point B hereunder). Development projects are works in progress of an investment nature on various properties. Projects in course of development do not form part of the calculation of the occupancy rate.

A. Investment properties available for rent

(€000S)	31/03/2018	30/09/2017
BALANCE AT THE BEGINNING OF THE FINANCIAL YEAR	609,693	572,132
Acquisitions	3,474	28,859
Transfer from development projects	0	0
Disposals	-3,359	0
Transfer from assets held for sale	0	0
Change in fair value	1,946	8,702
BALANCE AT THE END OF THE FINANCIAL YEAR	611,754	609,693

Changes in the fair value of investment properties available for rent reflect the investments and divestments made during the financial year as well as the change in fair value of the properties.

Investments and divestments during the financial year last ended are described above in point 2.4 of the interim management report.

B. Development projects

(€000S)	31/03/2018	30/09/2017
BALANCE AT THE BEGINNING OF THE FINANCIAL YEAR	3,624	0
Investments	0	0
Acquisitions	0	3,753
Transfer to investment properties	0	0
Disposals	0	0
Change in fair value	94	-129
BALANCE AT THE END OF THE FINANCIAL YEAR	3,718	3,624

Fair value measurement

Investment properties were appraised at 31 March 2018 by independent experts (CBRE, Jones Lang LaSalle and Cushman & Wakefield) at their fair value. The fair value of a property is its investment value, i.e. its cost including registration fees and other transaction costs, minus an allowance for stamp duty.

All investment properties have been classified since first adoption of IFRS 13 as level 3 in the fair value hierarchy defined in IFRS 13. This hierarchy has three levels:

- Level 1: observable prices quoted on active markets
- Level 2: observable inputs other than the quoted prices referred to in Level 1
- Level 3: unobservable inputs

During the first half of financial year 2017/2018 there were no transfers among levels 1, 2 and 3.

Valuation methods used

Two valuation methods are used by Ascencio's independent experts to determine the fair value of the portfolio properties: the term and reversion method and the hardcore method. They also carried out a check in terms of price per square metre.

Under the term and reversion method, the capitalisation of revenues first takes account of current revenue until the end of the current lease agreement and then takes the estimated rental value (ERV) in perpetuity. Under the hardcore method, the estimated rental value is capitalised in perpetuity, after which adjustments are made to take account of the areas let above or below their rental value, void periods, etc.

The yield used for both methods represents the yield expected by investors on this type of asset. It reflects the risks intrinsic to the asset and the sector (future void periods, credit risk, maintenance obligations, etc.) To determine this yield, the experts based their estimates on the most comparable transactions and on transactions currently under way in their investment departments.

When there are unusual factors specific to the asset, corrections are applied (major renovations, non-recoverable costs, etc.)

NOTE 4 Categories and designation of financial instruments

(€000S)	31/03/2018		30/09/2017		Classification of fair values
	Carrying amount	Fair value	Carrying amount	Fair value	
NON-CURRENT ASSETS	1,460	1,460	1,242	1,242	
Deposits in guarantee lodged	473	473	470	470	Niveau 2
Derivative instruments (IRS) at fair value through profit and loss	987	987	772	772	Niveau 2
CURRENT ASSETS	5,235	5,235	8,891	8,891	
Trade receivables	1,316	1,316	4,000	4,000	Niveau 2
Tax receivables and other current assets	1,897	1,897	1,972	1,972	Niveau 2
Cash and cash equivalents	2,022	2,022	2,919	2,919	Niveau 2
TOTAL	6,695	6,695	10,133	10,133	

(€000S)	31/03/2018		30/09/2017		Classification of fair values
	Carrying amount	Fair value	Carrying amount	Fair value	
NON-CURRENT LIABILITIES	200,498	201,554	195,771	197,447	
Bank borrowings	192,152	193,208	185,455	187,131	Niveau 2
Derivative instruments (IRS) at fair value through profit and loss	6,247	6,247	8,302	8,302	Niveau 2
Guarantees received	2,099	2,099	2,014	2,014	Niveau 2
CURRENT LIABILITIES	70,204	70,204	77,994	77,994	
Bank borrowings	16,350	16,350	26,183	26,183	Niveau 2
Other current financial liabilities	50,000	50,000	43,000	43,000	
Trade payables	2,360	2,360	6,292	6,292	Niveau 2
Other current liabilities	1,494	1,494	2,519	2,519	Niveau 2
TOTAL	270,702	271,758	273,765	275,441	

The fair value of financial instruments can be ranked in a hierarchy of three levels (1, 2 and 3) each corresponding to a degree of observability of fair value:

- Level 1 fair value measurements are those established based on unadjusted prices quoted on active markets for identical assets or liabilities;
- Level 2 fair value measurements are those established on the basis of inputs other than quoted prices as per level 1 but which are observable for the asset or liability concerned, either directly (i.e. from prices) or indirectly (from data deriving from prices);
- Level 3 fair value measurements are those established on the basis of valuation techniques comprising data relating to the asset or liability which are not based on observable market data (unobservable inputs).

Since the beginning of the financial year there have been no transfers among levels.

The fair value of financial instruments has been determined in accordance with the following methods:

- For short-term financial instruments such as trade receivables and payables, the fair value is considered not to be significantly different from the carrying amount as a function of the amortised cost;
- For floating rate borrowings, the fair value is considered not to be significantly different from the carrying amount as a function of the amortised cost;
- For fixed rate borrowings, the fair value corresponds to the net present value of the future flows of principal and interest;
- For derivatives, the fair value is determined by discounting the estimated future cash flows to their net present value based on interest rate curves.

NOTE 5 Financial liabilities

(€000S)	31/03/2018	30/09/2017
Non-current financial debt	192,152	185,455
- Credit institutions	190,570	183,887
- Finance leases	1,582	1,568
Current financial debt	66,350	69,183
- Credit institutions	16,058	25,590
- Finance leases	292	593
- Other - Commercial paper	50,000	43,000
TOTAL	258,502	254,638

The structure of the financial liabilities and the average cost of borrowing are described above in point 2.2 of the interim management report.

NOTE 6 Financial instruments

At 31 March 2018, 78.4% of the Company's borrowings were at variable rates. With a view to limiting the interest rate risk associated with this type of financing, the Company has put in place a policy for hedging interest rate risk.

At 31 March 2018, the hedging ratio was 83.5%.

At 31 March, hedging was composed of:

- 24 IRS (interest rate swap) contracts, of which one callable IRS, on a total notional amount of €380 million, of which €120 million was effective at 31 March 2018 and €260 million will be effective at a later date.
- six CAP option contracts on a notional amount of €90 million, of which €40 million was effective at 31 March 2018 and €50 million will be effective at a later date.

The following table shows the hedges in place at 31 March 2018.

Type	Notional amount (€000S)	Start date	End date	Interest rate at worst	Floating reference rate	Fair value (€000S)	
						31/03/2018	30/09/2017
IRS callable	50,000	30/06/2008	29/06/2018	4.35%	3-mth. Euribor	-605	-1,780
IRS	7,500	12/08/2011	12/08/2018	2.39%	3-mth. Euribor	-103	-206
IRS	10,000	29/02/2012	28/02/2019	1.80%	3-mth. Euribor	-215	-318
IRS	5,000	29/02/2012	28/02/2019	1.81%	3-mth. Euribor	-108	-160
IRS	10,000	30/06/2013	30/06/2020	1.50%	3-mth. Euribor	-386	-463
IRS	10,000	3/07/2013	30/06/2020	1.50%	3-mth. Euribor	-385	-463
IRS	7,500	12/08/2011	12/08/2021	2.76%	3-mth. Euribor	-738	-850
IRS	20,000	28/09/2007	30/09/2022	3.70%	3-mth. Euribor	-3,201	-3,616
IRS	20,000	29/06/2018	30/06/2020	0.38%	3-mth. Euribor	-219	-191
IRS	10,000	29/06/2018	30/06/2020	0.29%	3-mth. Euribor	-91	-77
IRS	20,000	29/06/2018	30/06/2019	0.19%	3-mth. Euribor	-97	-81
IRS	30,000	30/06/2019	30/06/2020	0.28%	3-mth. Euribor	-94	-75
IRS	15,000	31/12/2019	31/12/2022	0.34%	3-mth. Euribor	89	62
IRS	10,000	30/09/2019	31/12/2023	0.39%	3-mth. Euribor	101	78
IRS	10,000	30/09/2019	31/12/2023	0.40%	3-mth. Euribor	96	77
IRS	10,000	30/06/2020	30/06/2023	0.35%	3-mth. Euribor	104	82
IRS	15,000	30/06/2020	30/06/2023	0.15%	3-mth. Euribor	249	213
IRS	30,000	30/06/2020	31/12/2021	0.18%	3-mth. Euribor	131	96
IRS	20,000	30/06/2020	30/06/2021	0.26%	3-mth. Euribor	24	12
IRS	20,000	30/06/2020	30/06/2022	0.41%	3-mth. Euribor	58	21
IRS	10,000	30/06/2021	31/12/2022	0.83%	3-mth. Euribor	-6	-22
IRS	10,000	30/06/2021	31/12/2022	0.63%	3-mth. Euribor	24	10
IRS	15,000	31/12/2021	30/06/2023	0.72%	3-mth. Euribor	44	26
IRS	15,000	31/12/2021	31/03/2023	0.67%	3-mth. Euribor	40	23
CAP purchased	20,000	31/12/2017	31/12/2018	0.45%	3-mth. Euribor	0	1
CAP purchased	20,000	30/06/2017	30/06/2020	0.15%	3-mth. Euribor	21	47
CAP purchased	15,000	30/06/2018	31/12/2019	0.45%	3-mth. Euribor	2	9
CAP purchased	10,000	31/12/2018	31/12/2019	0.25%	3-mth. Euribor	2	8
CAP purchased	10,000	31/12/2018	30/09/2019	0.25%	3-mth. Euribor	1	5
CAP purchased	15,000	28/02/2019	30/06/2019	0.45%	3-mth. Euribor	0	2

The callable IRS entered into with ING is composed of an IRS allowing the Company to obtain a fixed rate until 30 June 2018 subject to an option allowing ING to cancel the IRS at the end of each quarter starting from 30 June 2011.

Ascencio does not apply hedge accounting to the financial hedging instruments that it holds. Therefore these instruments are considered as instruments held for trading under IFRS, and changes in their market value are recognised directly and in full in profit or loss.

The market value of derivative financial instruments is advised on each accounting closing date by the financial institutions from which these instruments were acquired.

NOTE 7 Other non-current financial liabilities

(€000s)	31/03/2018	30/09/2017
Authorised hedging instruments	6,247	8,302
Other	2,099	2,014
TOTAL	8,346	10,316

Other non-current financial liabilities mainly comprise the fair value of the interest rate swaps (IRS) entered into by the Company to hedge against a rise in interest rates, its borrowings being mainly at floating rates.

These hedging instruments are measured at their fair value at the end of each quarter as calculated by the issuing financial institutions.

NOTE 8 Earnings per Share (EPS)

	31/03/2018	31/03/2017
EPRA Earnings per share (euros)	2.06	2.05
Earnings per share (EPS) (euros)	2.70	4.09
Weighted average number of shares during the period	6,595,985	6,497,594

5.6. Report of the Statutory Auditor

Ascencio SCA

Report on review of the consolidated interim financial information for the six-month period ended 31 March 2018

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated condensed statement of financial position, the consolidated condensed income statement, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of cash flows and the consolidated condensed statement of changes in equity for the period of six months then ended as at 31 March 2018, as well as selective notes 1 to 8

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Ascencio SCA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 - Interim Financial Reporting as adopted by the European Union.

The consolidated condensed statement of financial position shows total assets of 627.744 (000) EUR and the consolidated condensed income statement shows a consolidated profit for the period then ended of 17.798 (000) EUR.

The manager of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34 – Interim Financial Reporting as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410 – Review of interim financial information performed by the independent auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Ascencio SCA has not been prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 - Interim Financial Reporting as adopted by the European Union.

Zaventem, le 8 June 2018

The statutory auditor,

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Kathleen De Brabander

6. Declaration by persons responsible

The Statutory Manager⁷ of Ascencio SCA hereby declares that to the best of its knowledge:

- the condensed financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, financial position and results of the Company and of the companies included in the consolidation;
- the Management Report contains a true account of the significant events and main transactions between related parties that have taken place in the first six months of the financial year and their effect on the condensed statements, as well as a description of the main risks and uncertainties for the remaining months of the financial year.

7. Information on forward-looking statements

This interim financial report contains forward-looking information based on the Company's estimates and projections and its reasonable expectations in respect of external events and factors. By its very nature, such forward-looking information carries with it risks and uncertainties that could lead to results, the financial situation, performance and actual achievements diverging. Given these factors of uncertainty, statements about the future cannot be guaranteed.

8. Information to shareholders

8.1. Corporate governance

Board of Directors of the Statutory Manager

The General Meeting of Shareholders of the Statutory Manager of the Company, Ascencio SA, has made the following appointments to its Board of Directors for a term of office of four years:

- 17 October 2017:
 - **Mr Vincent Querton** as Managing Director (CEO) and *dirigeant effectif* (executive manager as per the B-REITS Act)
- 28 March 2018:
 - **Ms Stéphanie Boniface**, as independent non-executive director
 - **Ms Alexandra Leunen**, as independent non-executive director
 - **Mr Olivier Beguin**, as non-executive director linked to developers Carl, Eric and John Mestdagh

Change in shareholding of Ascencio SA

Carl, Eric and John Mestdagh exercised the purchase option on the 49% of shares in Ascencio SA held by AG Real Estate. They now own 100% of the share of Ascencio SA.

With 12% of the capital, AG Real Estate remains a significant shareholder of Ascencio SCA. AG Real Estate continues to perform its offices in the board of directors and to support Ascencio's strategy.

⁷ Ascencio SA, Avenue Jean Mermoz 1 box 4, 6041 Gosselies, company number BE 0881.160.173

8.2. Financial calendar

Interim statement for the quarter ending 30 June 2018	2 August 2018
Press release on results for the year to 30 September 2018	3 December 2018
Ordinary general meeting of shareholders	31 January 2019

8.3. General Data Protection Regulation (GDPR)

The new European legislation on confidentiality policy came into force on 25 May 2018. Its objective is to protect personal data, that is to say all information enabling you to be identified.

You are receiving this press release because you appear on our list of addressees who have asked to receive news concerning our Company. This list contains your first name, surname e-mail address and any other information you may have provided to us.

In accordance with the GDPR, we confirm that your contact details will not be disclosed to third parties. Our database is confidential. We remind you that you can cancel your subscription by sending an e-mail to info@ascencio.be.

For more information, we invite you to read our Confidentiality policy (<http://www.ascencio.be/contact/>) which explains how we collect, manage and protect your personal data.

9. Fact sheet

COMPANY NAME	ASCENCIO SCA
STATUS	Public Regulated Real Estate Company (SIRP)
ADDRESS Belgium	Avenue Jean Mermoz 1 Bldg H Box 4, 6041 Gosselies,
TEL	+ 32 (71) 91 95 00
FAX	+ 32 (71) 34 48 96
E-MAIL	info@ascencio.be
WEBSITE	www.ascencio.be
REGISTERED	with the Charleroi Companies Registry
COMPANY NUMBER	BE 0881 334 476
DATE OF INCORPORATION	10 May 2006
APPROVAL AS SIR (B-REIT)	28 October 2014
DURATION	Indefinite
AUDITOR	Deloitte Réviseurs d'Entreprises, represented by Kathleen De Brabander
PROPERTY EXPERTS	Jones Lang LaSalle Cushman & Wakefield CBRE
FINANCIAL YEAR END	30 September
SHARE CAPITAL	€39,575,910
NUMBER OF SHARES	6,595,985
LISTED ON	Euronext Brussels
FAIR VALUE OF REAL ESTATE PORTFOLIO	€615 million
NUMBER OF PROPERTIES	103
TYPE OF PROPERTY	Commercial premises on urban peripheries and others

For any additional information:

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Michèle Delvaux

Chief Financial Officer
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Vincent Querton

Chief Executive Officer
Tel. 071.91.95.00
vincent.quertron@ascencio.be

This interim report is also available in Dutch and English, but only the French version of the document has full force and effect. The Dutch and English versions are free translations prepared under the responsibility of Ascencio.

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES (APMS)

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

The 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).

Operating margin

		31/03/2018	31/03/2017
Operating result before result on portfolio (€000S)	= A	17,480	17,236
Rental income (€000S)	= B	20,572	20,235
OPERATING MARGIN	= A / B	85.0%	85.2%

Average cost of borrowing

		31/03/2018	31/03/2017
Net interest charges (heading XXI) (€000S)		3,440	3,602
Commissions on undrawn balances under credit facilities		146	129
Opening commission and charges for credit facilities		18	17
Change in fair value of caps		46	
TOTAL COST OF FINANCIAL DEBTS	= A	3,650	3,748
WEIGHTED AVERAGE DEBT FOR THE PERIOD	= B	252,992	250,451
AVERAGE COST OF BORROWING	= A / B	2.89%	2.99%

Hedging ratio

(€000S)		31/03/2018	30/09/2017
Fixed-rate financial debts		55,902	56,784
Variable-rate financial debts converted into fixed-rate debts by means of IRS		120,000	120,000
Variable-rate financial debts converted into capped-rate by means of caps.		40,000	40,000
TOTAL FIXED RATE OR CAPPED FINANCIAL DEBTS	= A	215,902	216,784
TOTAL VARIABLE RATE FINANCIAL DEBTS		42,600	37,854
TOTAL FINANCIAL DEBTS	= B	258,502	254,638
HEDGING RATIO	= A / B	83.5%	85.1%

EPRA

EPRA (the European Public Real Estate Association) is the voice of Europe's publicly traded real estate sector, representing more than 250 members and over €430 billion in real estate assets.

EPRA publishes recommendations for defining the main performance indicators applicable to listed real-estate companies. These recommendations are included in the report entitled "EPRA Reporting: Best Practices Recommendations Guidelines" ("EPRA Best Practices"). This report is available on the EPRA website (www.epra.com).

Ascencio subscribes to this move to standardise financial reporting with a view to improving the quality and the comparability of the information for investors.

EPRA KEY PERFORMANCE INDICATORS

		31/03/2018	31/03/2017	
1	EPRA Earnings (000 EUR) EPRA Earnings per share	Earnings from operational activities	13.583 2,06	13.293 2,05
7	EPRA Cost Ratio (including direct vacancy costs)	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income	15,03%	14,82%
8	EPRA Cost Ratio (excluding direct vacancy costs)	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income	14,11%	14,22%

		31/03/2018	31/09/2017	
2	EPRA NAV (000 EUR) EPRA NAV per share (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	356.361 54,03	357.046 54,95
3	EPRA NNAV (000 EUR) EPRA NNAV per share (EUR)	EPRA NAV adjusted to include the fair values of financial instruments, debt and deferred taxes	346.730 52,57	344.604 53,04
4	EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchaser's costs	6,22%	6,23%
5	EPRA Topped-up NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods or other unexpired lease incentives such as discounted rent periods and step rents	6,26%	6,28%
6	EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio	2,39%	3,13%

EPRA EARNINGS

(€000s)	31/03/2018	31/03/2017
EARNINGS (OWNERS OF THE PARENT) PER IFRS INCOME STATEMENT	17,798	26,571
ADJUSTMENTS TO CALCULATE EPRA EARNINGS	-4,215	-13,278
(i) Change in value of investment properties, development properties held for investment and other interests	-2,040	-8,918
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	15	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	-2,270	-4,562
(vii) Acquisition costs on share deals and non-controlling joint venture interests (IFRS 3)	0	0
(viii) Deferred tax in respect of EPRA adjustments	80	162
(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)	13,583	13,293
Number of shares	6,595,985	6,497,594
EPRA EARNINGS PER SHARE (EPRA EPS - €/SHARE)	2.06	2.05

EPRA NET ASSET VALUE (NAV)

(€000s)	31/03/2018	30/09/2017
NAV PER THE FINANCIALS STATEMENTS (OWNERS OF THE PARENT)	347,786	346,281
Number of shares	6,595,985	6,497,594
NAV PER THE FINANCIALS STATEMENTS (€/SHARE) (OWNERS OF THE PARENT)	52.73	53.29
Effect of exercise of options, convertibles and other equity interests (diluted basis)	0	0
DILUTED NAV, AFTER THE EXERCISE OF OPTIONS, CONVERTIBLES AND OTHER EQUITY INTERESTS	347,786	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	5,260	7,530
(v.a) Deferred tax	3,316	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)	356,361	357,046
Number of shares	6,595,985	6,497,594
EPRA NAV PER SHARE (€/SHARE) (OWNERS OF THE PARENT)	54.03	54.95

EPRA TRIPLE NET ASSET VALUE (NNNAV)

(€000s)	31/03/2018	30/09/2017
EPRA NAV (OWNERS OF THE PARENT)	356,361	357,046
Include :	-9,632	-12,442
(i) Fair value of financial instruments	-5,260	-7,530
(ii) Fair value of debt	-1,056	-1,677
(iii) Deferred tax	-3,316	-3,235
EPRA NNAV (OWNERS OF THE PARENT)	346,730	344,604
Number of shares	6,595,985	6,497,594
EPRA NNAV PER SHARE (€/SHARE) (OWNERS OF THE PARENT)	52.57	53.04

EPRA NET INITIAL YIELD (NIY) AND EPRA TOPPED-UP NIY

(€000s)	31/03/2018			
	Belgium	France	Spain	TOTAL
Investment properties in fair value	379.741	204.811	30.920	615.472
Properties held for sale	0	0	0	0
Developments	-3.718	0	0	-3.718
PROPERTIES AVAILABLE FOR LEASE	376.023	204.811	30.920	611.754
Allowance for estimated purchasers' costs	9.426	12.540	1.040	23.006
GROSS UP COMPLETED PROPERTY PORTFOLIO VALUATION	385.449	217.351	31.960	634.760
Annualised cash passing rental income (+)	25.388	13.939	1.914	41.240
Property outgoings ¹ (-)	-1.348	-397	0	-1.745
ANNUALISED NET RENTS	24.040	13.542	1.914	39.495
Add : notional rent expiration of rent free periods or other lease incentives	113	134	0	247
TOPPED-UP NET ANNUALISED RENT	24.153	13.675	1.914	39.743
EPRA NIY (%)	6,24%	6,23%	5,99%	6,22%
EPRA TOPPED-UP NIY (%)	6,27%	6,29%	5,99%	6,26%

¹ The scope of the real-estate charges to be excluded for calculating the EPRA Net Initial Yield is defined in the EPRA Best Practices and does not correspond to "real-estate charges" as presented in the consolidated IFRS accounts.

(€000s)	30/09/2017			
	Belgium	France	Spain	TOTAL
Investment properties in fair value	381.191	203.203	28.923	613.317
Properties held for sale	0	0	0	0
Developments	-3.624	0	0	-3.624
PROPERTIES AVAILABLE FOR LEASE	377.567	203.203	28.923	609.693
Allowance for estimated purchasers' costs	10.108	12.378	723	23.210
GROSS UP COMPLETED PROPERTY PORTFOLIO VALUATION	387.675	215.582	29.646	632.903
Annualised cash passing rental income (+)	25.481	13.664	1.823	40.967
Property outgoings ¹ (-)	-1.158	-375	0	-1.533
ANNUALISED NET RENTS	24.323	13.289	1.823	39.434
Add : notional rent expiration of rent free periods or other lease incentives	227	83	0	310
TOPPED-UP NET ANNUALISED RENT	24.550	13.372	1.823	39.745
EPRA NIY (%)	6,27%	6,16%	6,15%	6,23%
EPRA TOPPED-UP NIY (%)	6,33%	6,20%	6,15%	6,28%

¹ The scope of the real-estate charges to be excluded for calculating the EPRA Net Initial Yield is defined in the EPRA Best Practices and does not correspond to "real-estate charges" as presented in the consolidated IFRS accounts.

EPRA VACANCY RATE

(€000s)	31/03/2018			
	Belgique	France	Espagne	TOTAL
Estimated rental value (ERV) of vacant space	797	174	0	971
Estimated rental value (ERV) of total portfolio	24.806	13.779	1.976	40.561
EPRA VACANCY RATE (%)	3.21%	1.26%	0.00%	2.39%

(€000s)	30/09/2017			
	Belgique	France	Espagne	TOTAL
Estimated rental value (ERV) of vacant space	818	466	0	1,285
Estimated rental value (ERV) of total portfolio	25,201	13,880	1,938	41,020
EPRA VACANCY RATE (%)	3.25%	3.36%	0.00%	3.13%

EPRA COST RATIOS

(€000s)	31/03/2018	31/03/2017
ADMINISTRATIVE/OPERATING EXPENSE LINE PER IFRS STATEMENT	-3,093	-2,999
Rental-related charges	20	-119
Recovery of property charges	0	0
Rental charges and taxes normally paid by tenants on let properties	-23	-73
Other revenue and expenditure relating to rental	17	-6
Technical costs	-291	-360
Commercial costs	-90	-16
Charges and taxes on unlet properties	-190	-122
Property management costs	-548	-538
Other property charges	-152	-131
Corporate overheads	-1814	-1,634
Other operating income and charges	-22	0
EPRA COSTS (INCLUDING DIRECT VACANCY COSTS)	-3,093	-2,999
Charges and taxes on unlet properties	190	122
EPRA COSTS (EXCLUDING DIRECT VACANCY COSTS)	-2,903	-2,877
GROSS RENTAL INCOME	20,572	20,235
EPRA COST RATIO (INCLUDING DIRECT VACANCY COSTS) (%)	15.03%	14.82%
EPRA COST RATIO (EXCLUDING DIRECT VACANCY COSTS) (%)	14.11%	14.22%