



QRF CITY RETAIL REACHES AN AGREEMENT TO ACQUIRE TWO RETAIL PREMISES IN ANTWERP, LET TO KARL LAGERFELD AND ROYCE'

QRF CITY RETAIL REACHES AN AGREEMENT IN PRINCIPLE ON THE CONTRIBUTION IN KIND OF TWO RETAIL PREMISES IN ANTWERP (SCHUTTERSHOFSTRAAT 53 AND WAPPER 14-16)

THE REAL ESTATE PORTFOLIO REACHES A FAIR VALUE OF MORE THAN 250 MEUR

ANTWERP, 19 December 2016 – Qrf City Retail, the specialist in inner-city retail property, has reached an agreement regarding the acquisition of two retail premises on top locations in Antwerp (Schuttershofstraat 53 and Wapper 14-16).

The property located at Schuttershofstraat 53 is fully let to fashion designer Karl Lagerfeld, while the property at Wapper 14-16 is let to the Japanese chocolatier Royce'.

The investment value of the properties amounts to 7,7 MEUR in total. The assets generate an annual rental income of 356 KEUR. As a result of this transaction, the real estate portfolio reaches a Fair Value of more than 250 MEUR.

The transaction will be realised by means of a contribution in kind of the properties in the capital of Qrf City Retail within the framework of the authorised capital. The transaction allows Qrf City Retail to strengthen its shareholders' equity with 7,7 MEUR to approximately 120 MEUR.

1. Schuttershofstraat 53 and Wapper 14-16, Antwerp

Qrf City Retail has reached an agreement in principle, subject to conditions precedent, regarding the acquisition of two retail premises on excellent locations in Antwerp for a total investment value of 7,7 MEUR.¹ The two premises generate an annual rental income of 356 KEUR.

1.1. Antwerp, Schuttershofstraat 53

The property at Schuttershofstraat 53, Antwerp, has a facade of 7 metres and an estimated gross surface area of 340 m², of which 155 m² are located on the ground floor.

The building is fully let to Karl Lagerfeld, an international fashion designer with selling points everywhere in the world. Karl Lagerfeld operates two stores in Belgium, namely in Antwerp (Schuttershofstraat) and Brussels (Avenue de la Toison d'Or).



1.2. Antwerp, Wapper 14-16



The building at Wapper 14-16, Antwerp, has a facade of 10 metres and an estimated gross surface area of 965 m², of which 171 m² are located on the ground floor. The building is fully let to Royce', a Japanese luxury chocolatier with chocolate bars and stores all over the world. The store in Antwerp is Royce's first entry in the European market.

With this transaction, Qrf City Retail strengthens its position in Antwerp, the second largest city in Belgium in terms of inhabitants (approximately 510.000 inhabitants). These inhabitants have a spending power which lies 5% above the average in Belgium. Furthermore, the city has an international character, thanks to its harbour activities, which are among the greatest of Europe.

This international look and feel is also translated to the lively streets of the city centre. With a blend of local and international retailers, Antwerp offers a unique experience on every street corner. The Schuttershofstraat is known as an important location in Antwerp for luxurious brands, such as Essentiel, Hermès, Moncler, Jimmy Choo, Burberry, Zadig & Voltaire, Ladurée and 7 For All Mankind. The Wapper is also very popular thanks to its outstanding location between the Meir and the Schuttershofstraat, and right across from the Rubenshuis, one of Antwerp's finest locations in cultural heritage.

¹ The purchase price complies with the requirements of article 49 § 1 of the Regulated Real Estate Companies Act of 12 May 2014.

Other properties of Qrf City Retail in Antwerp can be found at the Meir, the De Keyserlei and the Kammenstraat.

2. Structure and funding of the transaction

The transaction will be realised by means of a contribution in kind of the two retail premises in the capital of Qrf City Retail within the framework of the authorised capital. The transaction allows Qrf City Retail to strengthen its shareholders' equity with 7,7 MEUR. In total, 321.285 new shares will be issued as a compensation for the contribution.

The issue price of the new shares amounts to 23,89 EUR per share. The newly issued shares will share in the result of the next financial year of Qrf City Retail, which will start on 31 December 2016. This means that the new shares will be issued without coupon no° 3, with reference to the dividend for the full financial year of 2016 (31 December 2015 – 30 December 2016).

The contribution in kind is expected to take place on 21 December 2016, subject to conditions precedent.

3. Listing of the new shares – detachment of coupon no°3

Qrf City Retail aims to list the new shares, with coupon no° 4 attached, on Euronext Brussels as from 23 December 2016.

In order to do so, coupon no° 3 will be detached from the existing shares on 21 December 2016. Coupon no° 3 gives entitlement to the dividend of the entire financial year 2016.

As mentioned in the press release of 10 November 2016, concerning the results up until the third quarter of 2016, Qrf City Retail expects, on the basis of its present real estate portfolio and the currently known information, to propose a gross dividend of 1,32 EUR to 1,34 EUR per share over the financial year of 2016.

4. Evolution of the property portfolio

On 18 December 2016, Qrf City Retail has been listed on the stock market for three years. Over this period, the Fair Value of the portfolio increased from 114 MEUR to over 250 MEUR. The share of inner-city property has risen to about 85% of this portfolio.

The real estate portfolio of Qrf City Retail is located for more than 70% in ten important cities in Belgium (Antwerp, Brussels, Liège, Ghent, Hasselt, Bruges, Leuven, Aalst, Namur and Mechelen). Within these cities, Qrf City Retail targets the areas that are located within the so-called Golden Mile – highly attractive streets with high numbers of footfall in their catchment area.

Caution concerning 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. 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. 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. 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. In doing so, Qrf City Retail targets cities with a catchment area of at least 50,000 consumers and specific streets with high numbers of footfall. At 30 September 2016, the real estate portfolio consisted of 41 retail properties with a total fair value of 245 MEUR. After the above mentioned transaction, the portfolio will reach a fair value of more than 250 MEUR.

Qrf City Retail has been listed on Euronext Brussels (QRF:BB) since December 2013. At 30 September 2016, the company's market capitalisation was 128 MEUR.