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1

Consolidated
key figures

Key figures of 2018



Debt
ratio
54.34%

EPRA
earnings
4.28 MEUR
0.76 EUR
per share

Contractual
Rents on an
annual basis
15.94 MEUR

NAV
per share
22.38 EUR (IFRS)
22.68 EUR (EPRA)

Fair Value of
the real estate
portfolio
281.09 MEUR

Number of retailers
who are customers
at Qrf City Retail
> 100

Share inner city
retail real estate
88%

Gross rental
yield
5.56%

Occupancy
rate
95.72%



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 30 June 2018, the real estate portfolio consisted of 51 retail properties with a total Fair Value of 281 MEUR. Qrf City Retail has been listed on Euronext Brussels (QRF:BB) since December 2013. On 30 June 2018, the company's market capitalisation was 113 MEUR.

1 Consolidated key figures

The first half year of 2018 covers the period from 1 January 2018 to 30 June 2018.

CONSOLIDATED KEY FIGURES

REAL ESTATE PORTFOLIO

		30/06/2018	31/12/2017
Fair Value of the real estate portfolio ¹	(KEUR)	281,094	287,404
Total gross surface area	(m ²)	90,530	91,573
Contractual Rents on an annual basis ²	(KEUR)	15,943	16,025
Estimated Rental Value of vacant property	(KEUR)	712	417
Gross portfolio yield ³		5.67%	5.58%
Occupancy rate ⁴		95.72%	97.47%

BALANCE SHEET

		30/06/2018	31/12/2017
Shareholders' equity (excl. minority interests)	(KEUR)	126,798	134,710
Debt ratio (under the RREC Act) ⁵		54.34%	52.69%

CONSOLIDATED PROFIT-AND-LOSS ACCOUNT

		30/06/2018	30/06/2017
Net rental income	(KEUR)	7,756	7,205
Operating result before result on the portfolio	(KEUR)	6,000	5,474
Operating margin ⁶		77.4%	76.0%
Portfolio result	(KEUR)	-5,229	-1,478
Financial result	(KEUR)	-2,244	-1,299
Taxes	(KEUR)	-119	-205
Net result (group share)	(KEUR)	-1,587	2,492
Adjustment for portfolio result	(KEUR)	5,229	1,478
Adjustment for changes in the Fair Value of the financial assets and liabilities (non-effective interest rate hedging)	(KEUR)	636	-80
EPRA earnings ⁷	(KEUR)	4,279	3,896

1 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.

2 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.

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

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

5 Calculated according to the R.D. of 13 July 2014 pursuant to the Regulated Real Estate Companies Act of 12 May 2014.

6 Operating margin = (Operating result before result on the portfolio)/(Net rental income).

7 EPRA earnings = Net result (group share) excluding the portfolio result and changes in the Fair Value of the non-effective interest rate hedges. This term is used in accordance with the *Best Practices Recommendations* of the EPRA.

CONSOLIDATED KEY FIGURES

KEY FIGURES PER SHARE

		30/06/2018	30/06/2017
Total number of shares outstanding at the end of period		5,665,822	5,129,802
Weighted average number of shares ⁸		5,665,822	5,129,802
Net result per share	(EUR)	-0.28	0.49
EPRA earnings per share	(EUR)	0.76	0.76
Closing price of the share at the end of period	(EUR)	20.00	24.75
IFRS NAV per share ⁹	(EUR)	22.38	23.32
Premium/discount to IFRS NAV ¹⁰ (end of period)		-10.6%	6.1%
EPRA NAV per share ¹¹	(EUR)	22.68	23.76
Premium/discount to EPRA NAV ¹² (end of period)		-11.8%	4.2%

8 Shares are counted *pro-rata temporis* from the time of issue. The time of issue differs in this case from the time of profit-sharing.

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

10 Premium/Discount to IFRS NAV = [(Closing price of the share at the end of the period)/(IFRS NAV per share at the end of the period) -1].

11 EPRA NAV per share = Net Asset Value per share according to EPRA Best Practice Recommendations.

12 Premium/Discount to EPRA NAV = [(Closing price of the share at the end of the period)/(EPRA NAV per share at the end of the period) -1].



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Ghent
Lange Munt 61-63
Belgium

2 Notes to the consolidated results for the first half of 2018

2.1 RESULTS

The **Net rental income** rose by 7.7% from 7.21 MEUR (30 June 2017) to 7.76 MEUR (30 June 2018). This is attributable mainly to the acquisition of additional properties since 30 June 2017 and the full contribution in 2017 of properties that Qrf City Retail purchased in the first half of 2017.

The **operating result before the result on the portfolio** rose to 6.00 MEUR in the first half of 2018, up 9.6% over that of the first half of 2017 (5.47 MEUR). The operating margin increased to 77.4%.

The **portfolio result** for the first half of 2018 amounts to -5.23 MEUR, consisting of:

- a positive **result from the sale of investment properties** for an amount of 0.15 MEUR (sale of a building at Sint-Niklaas, Stationsstraat 39); and
- negative **changes in the Fair Value of the investment properties** for an amount of -5.37 MEUR.

These negative changes in the Fair Value of the investment properties consist primarily of:

- a negative change in the Fair Value of the portfolio in Belgium (-2.3%);
- a positive change in the Fair Value of the portfolio in the Netherlands (+0.6%).

The **financial result** amounts to -2.24 MEUR for the first half of 2018. The most significant components of the financial results are:

- **net interest costs**, which have risen from -1.35 MEUR in the first half of 2017 to -1.43 MEUR in the first half of 2018. This rise is attributable to an

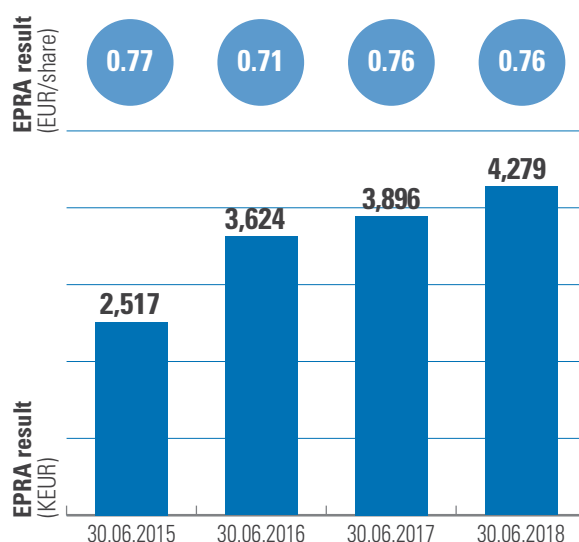
increase in the drawn lines of credit. The **Average Cost of Financing**¹ of Qrf City Retail has dropped to 1.92% in the first half of 2018 (compared to 2.01% in the first half of 2017); and

- a negative **change in the Fair Value of the financial assets and liabilities** of -0.64 MEUR recorded in the profit and loss-account.

The **Net result (group share)** (IFRS) amounts to -1.59 MEUR, or -0.28 EUR per share.

After adjustment for the portfolio result and the variation in the Fair Value of financial assets and liabilities, Qrf City Retail recorded a rise in the **EPRA earnings** of 9.8% to 4.28 EUR in the first half of 2018 (compared to 3.90 MEUR in the first half of 2017). The **EPRA earnings per share** is stable at 0.76 EUR.

GRAPH 1 EVOLUTION EPRA EARNINGS



¹ Average Cost of Financing = (Net interest costs on an annual basis)/(The average amount of outstanding debt).

2.2 BALANCE

On 30 June 2018, the **Fair Value of the real estate portfolio** stood at 281.09 MEUR (compared to 287.40 on 31 December 2017). This drop in the Fair Value of the real estate portfolio of 6.31 MEUR is attributable to the impairment on the properties rented by H&M for a total amount of 6.71 MEUR. This decline in Fair Value has a negative impact on the reserves of Qrf City Retail.

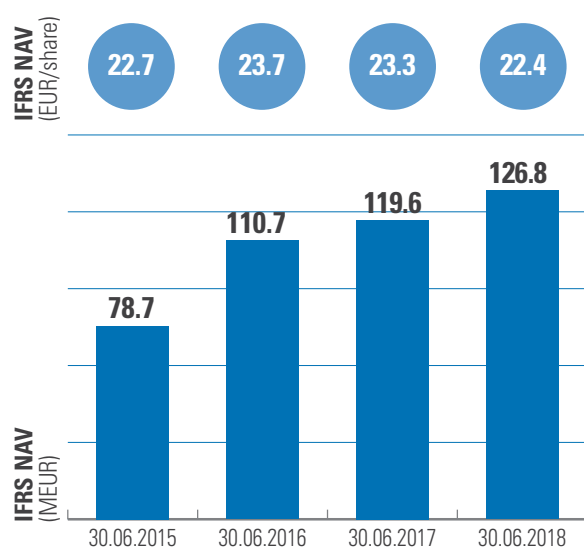
The **Gross portfolio yield** amounts to 5.67%.

The **shareholder's equity** (IFRS) (excl. minority interests) fell by 5.9% from 134.71 MEUR on 31 December 2017 to 126.80 MEUR on 30 June 2018.

The **IFRS NAV per share** drops by 4.0% from 23.32 EUR on 30 June 2017 to 22.38 EUR on 30 June 2018. The **EPRA NAV per share** drops by 4.6% from 23.76 EUR to 22.68 EUR over the same period.

The **Debt ratio** rose from 52.69% on 31 December 2017 to 54.34% on 30 June 2018.

GRAPH 2 EVOLUTION IFRS NAV



2.3 FINANCIAL STRUCTURE

2.3.1 Launch of a commercial paper program

In line with the continuous optimization of the composition and cost of its debt financing, Qrf City Retail launched a commercial paper program in the first half of 2018 with Belfius Bank as dealer. Qrf City Retail has issued commercial paper for an amount of 17 MEUR.

2.3.2 Contracting of new credit lines and premature restitution of existing credit lines

Qrf City Retail has contracted new credit lines in the first half of 2018 for a total amount of 45 MEUR with durations of 5 to 8 years. These credit lines will be used, amongst others, to reconstitute credits with expiry dates in December 2018 for an amount of 25 MEUR. Moreover, Qrf City Retail has prematurely restituted credit lines in the first half of 2018 with expiry dates in December 2019 for an amount of 15 MEUR.

This way, Qrf City Retail succeeds in prolonging the durations of her financial debts and lowering her financing risk.

2.3.3 Composition of the debts

On 30 June 2018 Qrf City Retail has 151 MEUR financial debts consisting of:

- **Bilateral credit lines** drawn for an amount of 134 MEUR. The drawn bilateral credit lines are contracted with 7 financial institutions with expiry dates that are well spread between 2018 and 2026, and a weighted average residual duration of 4.1 years.

- **Commercial paper** for an amount of 17 MEUR. The total amount of outstanding commercial paper is fully covered by available long term back-up lines.

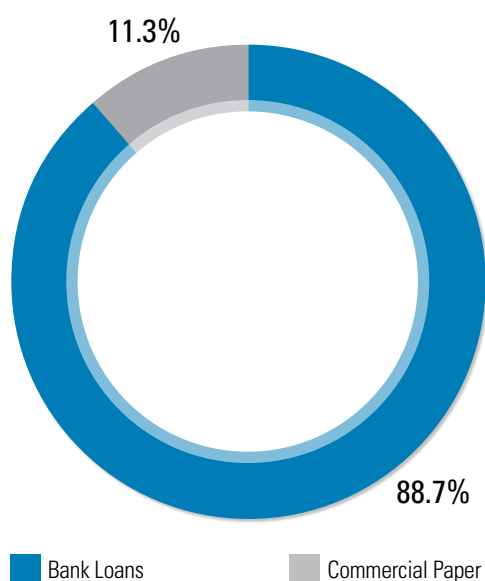
On 30 June 2018, Qrf City Retail disposes over 194 MEUR credit lines. An amount of 60 MEUR of the credit lines is not drawn and available.

The Average Cost of Financing is 1.92% in the first half of 2018 (opposed to 2.01% in the first half of 2017).

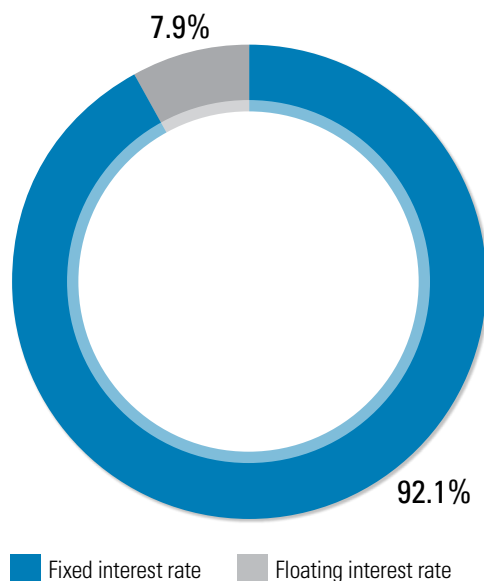
“Qrf City Retail can look back with satisfaction to the launch of the **commercial paper program and the **successful issue of 17 MEUR** under that program. Investors showed strong interest. The commercial paper program enables Qrf City Retail to further **diversify its financing sources.**”**

– Preben Bruggeman, CFO Qrf City Retail

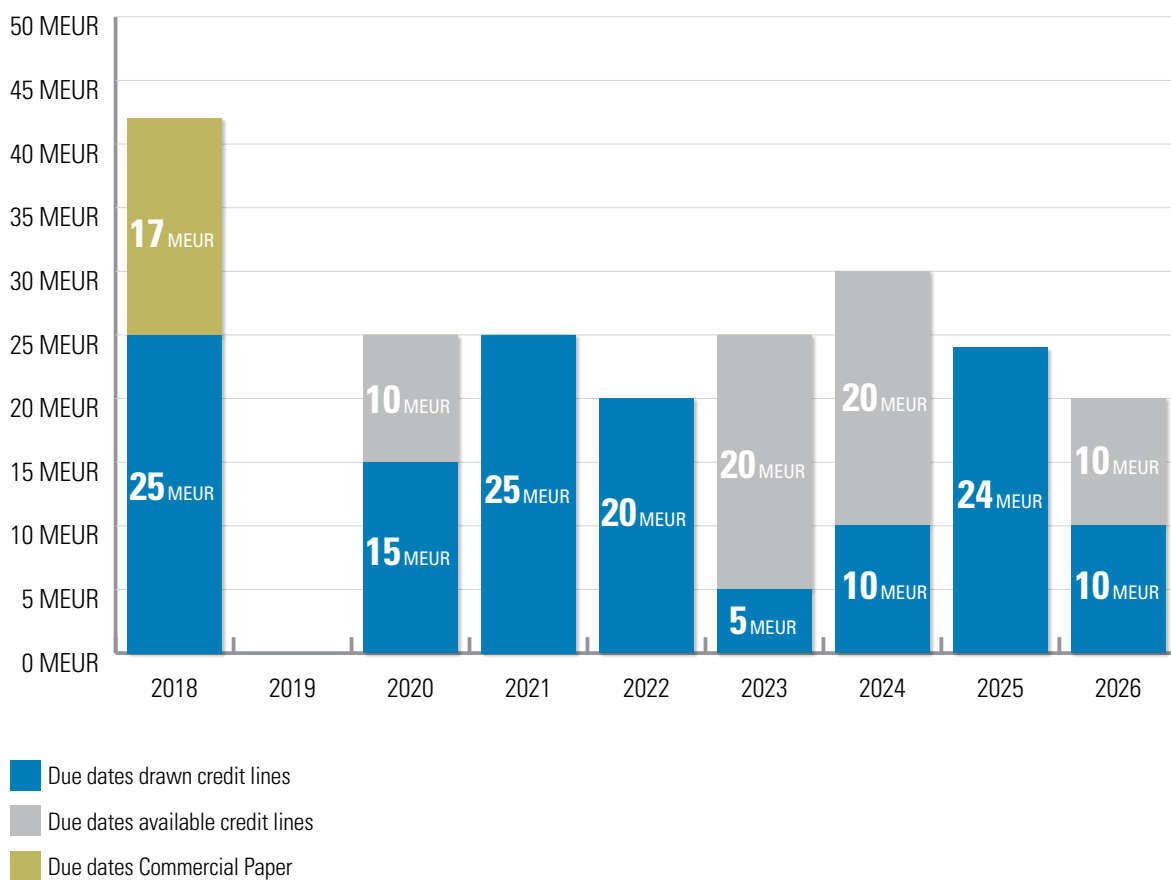
GRAPH 3 COMPOSITION FINANCIAL DEBTS ON 30 JUNE 2018



GRAPH 4 PROPORTION OF FIXED AND FLOATING INTEREST RATES ON 30 JUNE 2018



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3

Transactions and achievements

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Zwolle
Diezerstraat 60
The Netherlands

3 Transactions and achievements

3.1 ACQUISITIONS, DIVESTMENTS AND OTHER ACTIVITIES

3.1.1 Acquisitions

In the first half of 2018, no acquisitions took place.

3.1.2 Divestments

On 16 April 2018, Qrf City Retail sold a non-strategic property situated in Sint-Niklaas (Stationsstraat 39) for a net selling price (after deduction of registration fees and other transfer charges) of 675 KEUR. The property was not rented. The net selling price exceeded the last Fair Value estimated by the independent property expert.

Qrf City Retail is also at an advanced stage for the sale of a number of non-strategic properties in the second half of 2018.

3.1.3 Redevelopments

In the context of the optimization of its real estate portfolio, Qrf City Retail has submitted an urban permit application for the redevelopment of the Bondgenotenlaan-Bogaardenstraat project in Leuven.

3.1.4 Conversion of RIGS NV to a GVBFIIS/REIF

On 30 June 2016, Qrf City Retail acquired 100% of the shares of RIGS NV. The main asset of this company is the retail property in Hasselt (Demerstraat 21-25) rented to H&M and The Sting. On 6 April 2018, the company has been included on the list of specialized investment funds at the FPS Finance. RIGS NV has thus assumed the status of GVBFIIS/REIF.

3.1.5 Sponsoring Retailer of the Year

Qrf City Retail is the main sponsor of the “Retailer of the Year award 2018” for the third year in a row. The award for the best Belgian retailer has been conferred since 2006, based on independent consumer research. The search for the successor of Standaard Boekhandel, winner in 2017, started in June 2018. The winners will be announced during the RetailDetail Night on 29 November 2018.

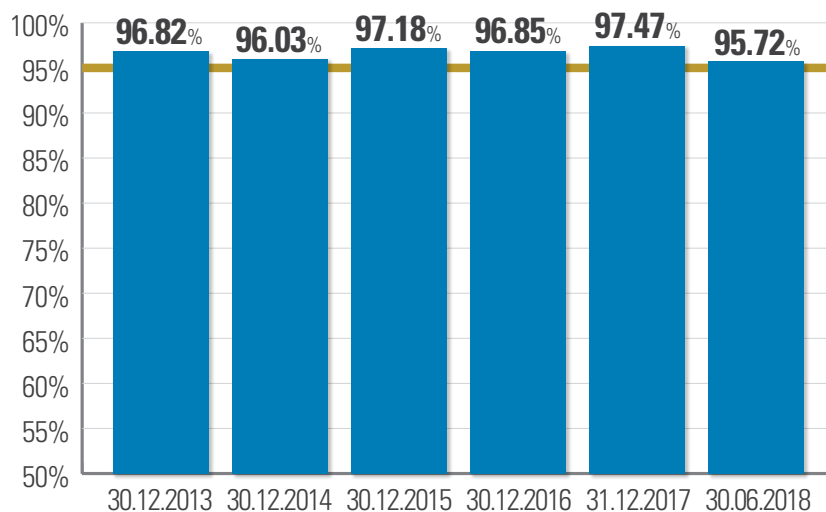
Qrf City Retail wants to do more than invest in and rent out retail properties. It wants to stay in touch with retailers and consumers. The award “Retailer of the Year Belgium” has become a quality mark and the election is for both retailers and Qrf City Retail an excellent way of gaining insight in the needs of the modern consumer through the gathering of qualitative and quantitative knowledge of the retail market.

3.1.6 Rental activities

Within her portfolio of 51 properties, rented to more than a 100 tenants, Qrf City Retail knew to maintain the high level of the Occupancy rate¹ during the first half of 2018. On 30 June 2018, the Occupancy rate of the portfolio amounted to 95.72% (compared to 97.47% on 31 December 2017).

¹ Occupancy rate = (Contractual Rents on an annual basis)/(Contractual Rents on an annual basis including the Estimated Rental Value of vacant property).

GRAPH 1 EVOLUTION OCCUPANCY RATE



3.2 OUTLOOK FOR 2018

3.2.1 Prospects for H&M – most important tenant of Qrf City Retail

H&M published communication in recent months which shows that the profitability of the Swedish fashion group is under pressure. These developments at H&M have an impact on the real estate portfolio of Qrf City Retail, in which H&M is the most important tenant as at 30 June 2018. H&M rents five Qrf City Retail properties and represents, in total, 16.5% of the Contractual Rents on an annual basis.

In the portfolio of Qrf City Retail, H&M put an early end to its lease for Sint-Niklaas (Stationsstraat 33). This lease agreement represents 1.3% of the Contractual Rents and will expire on 31 August 2018.

Qrf City Retail moreover received a request from H&M to renew the leases for the

properties in Hasselt (Demerstraat 21-25)² and Uccle (Alsebergsesteenweg 767) at conditions which in the view of Qrf City Retail are not market compliant or unclear. In case of disagreement on the conditions of a valid request for the renewal of a commercial lease, the tenant is entitled, pursuant to the Commercial Lease Act, to apply for enforcement of the requested renewal to the competent justice of the peace, albeit at conditions defined by the latter. There is a risk that the conditions defined by the court would lead to a lowering of the rent, which could in turn entail a considerable loss in value for the properties concerned, a part of which is already accounted in the financial statements as at 30 June 2018.

² Cf. Note 13.1 of chapter 6 “Condensed consolidated financial statements for the first half of 2018” of the Half-year report 2018 regarding a dispute between Qrf City Retail and H&M that relates to a request from H&M for lease renewal for the premises located at Hasselt (Demerstraat 21-25) and Uccle (Alsebergsesteenweg 767).

3.2.2 Outlook Qrf City Retail for 2018

Retail is one of the most innovative sectors and will continue to undergo major changes in the coming years. The developments in the retail landscape in general constitute a source of uncertainty for Qrf City Retail in the short and medium term. There is little influx of new retailers in the market at the time being, and the risk of vacancy is increasing as a result. This could have a negative impact on the valuation of the real estate portfolio. Qrf City Retail is consequently cautious about its prospects.

Qrf City Retail is at an advanced stage for the sale of a number of non-strategic properties in the second half of 2018. Next to divesting a part of its portfolio, Qrf City Retail wishes to look actively for opportunities in its own portfolio (such as making use of the redevelopment potential) and in the market.

From that perspective, Qrf City Retail sees 2018 as a year of *"rebalancing for future growth"*.

3.2.3 EPRA earnings and dividend for financial year 2018

Based on the current portfolio and the available information known today, the company expects EPRA earnings of 1.45 EUR – 1.55 EUR per share for 2018. These EPRA earnings will translate to a gross dividend within the limits of the minimum distribution obligation imposed by the RREC Act³ and the maximum distribution constraint to which Qrf is limited for technical reasons⁴, with due account of further developments in the second half of 2018.

² We refer to Article 13 of the Royal Decree on Regulated Real Estate companies which sets out the conditions to be met by a regulated real estate company in order to pay out a dividend. Accordingly, a public regulated real estate company must pay out as remuneration of capital at least 80% of the corrected positive net profit, minus the net drop in the debt burden in the course of the financial year.

⁴ The Company refers to the importance of Article 617 of the Companies Code which stipulates that no dividend may be paid out if, on the closing date of the last financial year, the net assets, as they appear in the annual financial statements, have dropped or would drop as a result of the dividend payment below the amount of the paid-up capital (or if higher, the called-up capital), plus all reserves which pursuant to the relevant legislation or the articles of association may not be paid out. The distributable equity referred to in Article 617 of the Companies Code, calculated in accordance with Annex C, Chapter 4 of the Royal Decree on Regulated Real Estate Companies, amounted to 3,980 KEUR on 31 December 2017.



4

Qrf City Retail on the stock exchange

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America Today 43rd



Den Bosch
Hinthamerstraat 41-45
The Netherlands

4

Qrf City Retail on the stock exchange

4.1 THE QRF CITY RETAIL SHARE

Qrf City Retail offers private and institutional investors the opportunity to gain access to investing in retail properties in a diversified way without having to worry about managing such investments, which is done by professional teams.

The Qrf City Retail (Euronext Brussel: QRF, ISIN code BE0974272040) has been listed on the continuous market of Euronext Brussels. Qrf City Retail is part of the Bel Small-index.

On 30 June 2018, the total capital of Qrf City Retail amounted to 131.723.955,75 EUR. The capital is represented by 5,665,822 fully paid up ordinary shares. Each of these shares entitles the holder to one vote at the General Meeting of Shareholders. The shares have no nominal value. Neither Qrf City Retail, nor one of its Perimeter Companies hold Qrf City Retail shares.

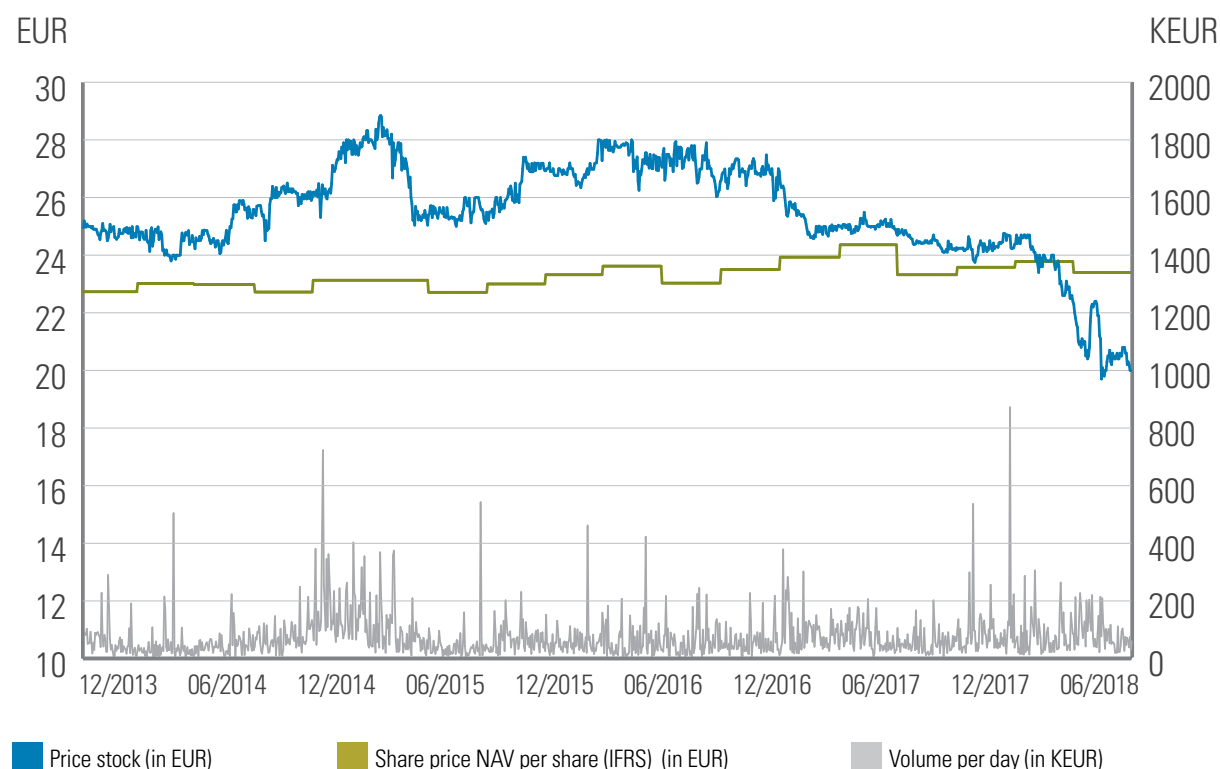


4.2 PRICE DEVELOPMENT OF THE SHARE AND TRADED VOLUME

TABLE 1 DEVELOPMENT OF THE QRF CITY RETAIL SHARE

	30/06/2018	30/06/2017
Number of shares in circulation at the end of the financial year	5,665,822	5,129,802
Registered shares	1,224,836	891,535
Dematerialized shares	4,440,986	4,238,267
Market capitalization at the end of the financial year (in EUR)	113,316,440	126,962,600
Free float ¹	79.4%	82.9%
Share price (in EUR)		
Highest	24.70	26.50
Lowest	19.70	24.57
At the end of the financial year	20.00	24.75
Average	22.33	25.12
Volume (in number of shares)		
Average daily volume	3,547	3,245

GRAPH 1 PRICE DEVELOPMENT OF THE QRF CITY RETAIL SHARE AND TRADED VOLUME



¹ Free float = [(Number of shares at the closing of the financial year) – (total number of shares held by parties that have made themselves known by means of a transparency declaration pursuant to the Act of 2 May 2007)]/[number of shares at the closing of the financial year].

4.3 SHARE OWNERSHIP

On 30 June 2018, Qrf City Retail had 5.665.822 paid up shares. Based on the transparency notices that Qrf City Retail received, the shareholding structure of Qrf City Retail was as follows:

TABLE 2 SHAREHOLDERS STRUCTURE QRF CITY RETAIL ON 30 JUNE 2018

SHARE HOLDERS	SHARES	PERCENTAGE
AXA SA	633,680	11.2%
Vanmoerkerke family	536,020	9.5%
Free float	4,496,122	79.3%
TOTAL	5,665,822	100.0%

4.4 FINANCIAL CALENDAR 2018-2019

TABLE 3 FINANCIAL CALENDAR QRF CITY RETAIL

	DATE
Publication of the Q3 2018 update	14/11/2018
Press release on the 2018 annual results	22/02/2019
Publication of the annual report for the 2018 financial year	19/04/2019
Publication of the Q1 2019 update	08/05/2019
Annual General Meeting of Shareholders	21/05/2019
Dividend 2018 - Ex date	22/05/2019
Dividend 2018 - Record date	23/05/2019
Dividend 2018 - Payment date	24/05/2019
Publication of H1 2019 results	21/08/2019
Publication of the Q3 2019 update	13/11/2019

For possible changes of the agenda, cf. "financial calendar" on <http://investor.qrf.be>. Any changes will also be announced by press release.





5

Property report

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Hasselt
Demerstraat 21-25
Belgium

5 Property report

5.1 DISCUSSION OF THE CONSOLIDATED REAL ESTATE PORTFOLIO

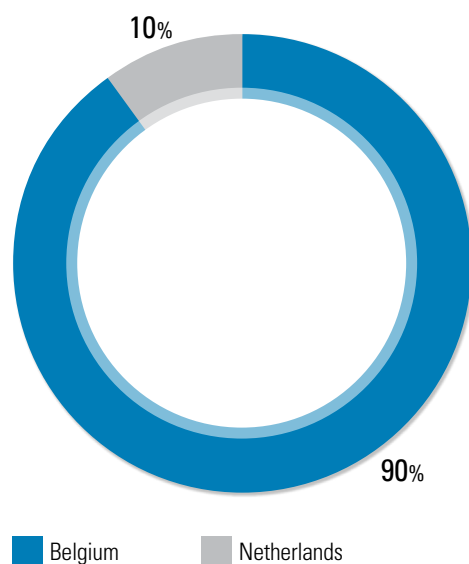
On 30 June 2018, the consolidated real estate portfolio consisted of 51 sites with a total gross surface area of 90,530 m² and a Fair Value of 281.09 MEUR. The portfolio generates 15.94 MEUR Contractual Rents on an annual basis, of which 14.53 MEUR in Belgium and 1.41 MEUR in the Netherlands.

In terms of Fair Value, the portfolio was situated for 90% in Belgium and 10% in the Netherlands on 30 June 2018.

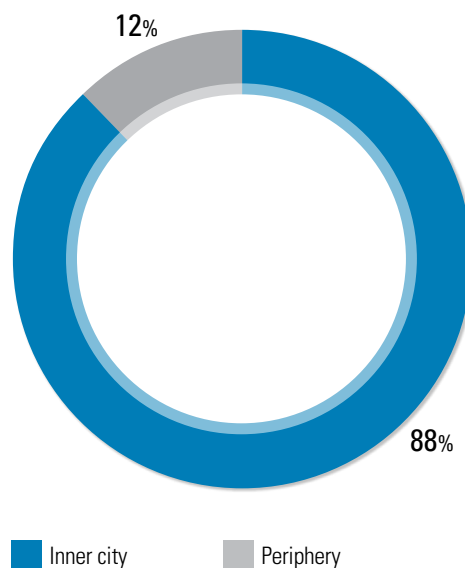
The Gross rental yield based on the Contractual Rents on an annual basis amounts to 5.67% on 30 June 2018.

As illustrated in the graph below, the spread of the portfolio has evolved from 87,0% inner city real estate on 30 June 2017 to 88,0% on 30 June 2018, expressed as a percentage of the Fair Value. This evolution is due to the consistent implementation of Qrf City Retail's investment strategy.

GRAPH 1 GEOGRAPHICAL SPREAD OF THE REAL ESTATE PORTFOLIO ON 30 JUNE 2018 (% OF THE FAIR VALUE)



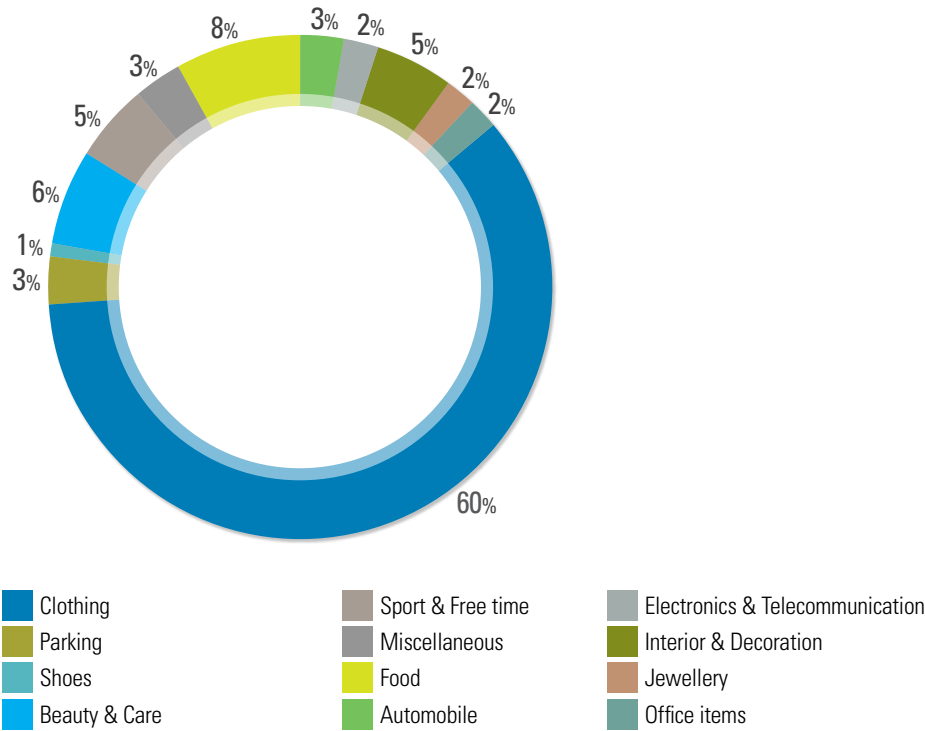
GRAPH 2 SPREAD OF THE TYPE OF THE REAL ESTATE ON 30 JUNE 2018 (% FAIR VALUE)



As illustrated in the figure below, the clothing sector accounts for 60% of the Contractual Rents on an annual basis, which corresponds to the average street scape where clothing shops take up an sizable portion

of the shop windows. This sector is followed by Food (8%) and Beauty & Care (6%).

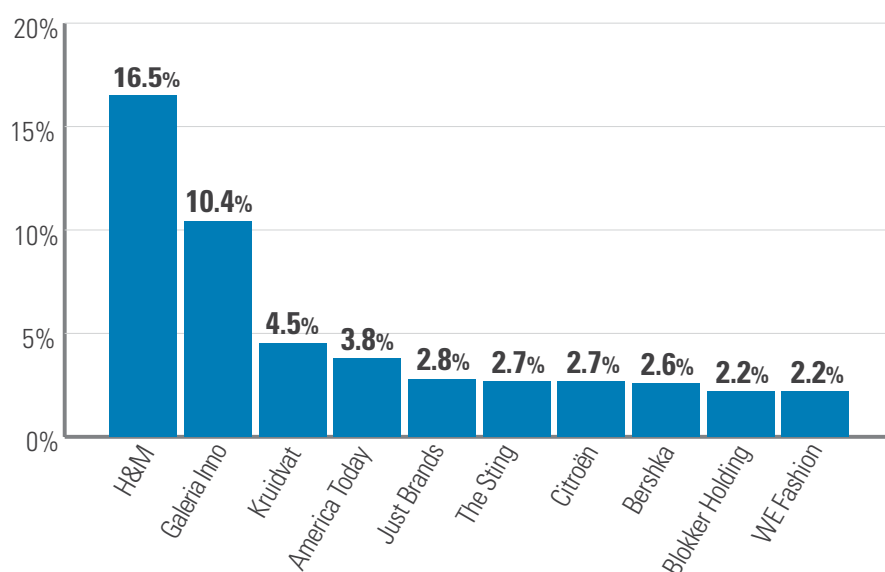
GRAPH 3 SECTORAL SPREAD OF THE PROPERTY PORTFOLIO ON 30 JUNE 2018
(AS A PERCENTAGE OF THE CONTRACTUAL RENTS ON AN ANNUAL BASIS)



In the graph below, the Contractual Rents on an annual basis are further broken down according to the main customers of Qrf City Retail. Retailers who are active in the fashion segment take the top positions here. The strong presence of retailers in the fashion segment in

Qrf City Retail's customer base arises out of the fact that these retailers are often established at strategic top locations of a city. The prominent presence of these retailers in the customer base therefore reflects the investment strategy of Qrf City Retail.

**GRAPH 4 SPREAD OF THE PROPERTY PORTFOLIO TO TENANTS ON 30 JUNE 2018
(AS A PERCENTAGE OF THE CONTRACTUAL RENTS ON AN ANNUAL BASIS)**



The most important tenant of Qrf City Retail is Hennes & Mauritz (H&M)¹. H&M represents 16.5% of the Contractual Rents on an annual basis, spread over 5 locations. Second is Galeria Inno, representing 10.4% of the Contractual Rents.

The 10 main tenants of Qrf City Retail account for 50.4% of the Contractual Rents on an annual basis.

¹ We refer to Note 13.1 of chapter 6 "Condensed consolidated financial statements for the first half of 2018" of the Half-year report 2018 regarding a dispute between Qrf City Retail and H&M that relates to a request from H&M for lease renewal for the premises located at Hasselt (Demerstraat 21-25) and Uccle (Alsembergsesteenweg 767). On 30 June 2018, the Contractual rent of H&M for these two locations represents 9.4% of the total Contractual Rents. Moreover, H&M has put an early end to its lease for Sint-Niklaas (Stationsstraat 33). This lease agreement, that represents 201 KEUR on 30 June 2018, will expire on 31 August 2018. H&M rents from Qrf City Retail in Aalst (Nieuwstraat 29-33), Sint-Truiden (Luikerstraat 49-51) and Ukkel (Alsembergsesteenweg 767). Considering the pressure on the profitability of H&M and the revaluation of its expansion strategy as evidenced by its financial publications, it cannot be ruled out that H&M will ask for rental discounts at these locations or will terminate its lease agreement. Qrf City Retail is therefore cautious in its prospects regarding its exposure to H&M as its main tenant.

5.2 CONCLUSION OF THE REAL ESTATE EXPERT

The property portfolio of Qrf City Retail is valued by Cushman & Wakefield.

VALUATION

In light of all remarks, definitions and reserves contained in the valuation report and its annexes, which constitute an integral part thereof, and based on the current values on 30 June 2018, the values of the existing property portfolio are as follows:

Fair Market Value (rounded off), after deduction of transaction costs:

TOTAL	Belgium	The Netherlands
280,260,00 EUR	252,790,000 EUR*	27,470,000 EUR

*Exclusive of the minority interest for the Fair Value of 833,571 EUR in Century Center Freehold BVBA. This calculation was obtained from Qrf. Cushman & Wakefield cannot be held responsible for the calculation thereof.

The content of the valuation report was drawn up confidentially for the attention of our client. Consequently, and in accordance with current practice, no responsibility is taken towards another party with regard to the valuation report or any part of its content. For clarity, such approval is required whether or not stating the name of this firm, and whether or not our valuation report is combined with others.

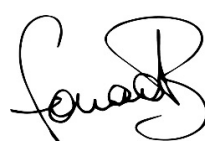
Faithfully yours,

For the part of the property portfolio situated in Belgium



Bastien Van der Auwermeulen

Senior Valuer
Valuation & Advisory



Fouad Ben Tato

Associate
Valuation & Advisory

For the part of the property portfolio situated in the Netherlands



Wolbrand van der Vis

Valuer
Valuation & Advisory



Hans Hinfelaar

Partner / Head of retail
Valuation & Advisory



6

Condensed consolidated financial statements for the first half of 2018

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Antwerp
Schuttershofstraat 58
Belgium

6

Condensed consolidated financial statements for the first half of 2018

6.1 CONDENSED CONSOLIDATED HALF-YEAR RESULTS

A. CONDENSED CONSOLIDATED INCOME

FIGURES IN THOUSANDS EUR

	Notes	30/06/2018	30/06/2017
(+) I. Rental income		7,845	7,298
(+) II. Writeback of leased payments sold and discounted		0	0
(+/-) III. Rental charges		-89	-93
NET RENTAL INCOME		7,756	7,205
(+) IV. Recovery of property charges		0	0
(+) V. Recovery of rental charges and taxes normally payable by tenants on let properties		177	39
VI. Costs payable by the tenants and borne by the owner on the rental damage and refurbishment		0	0
(-) VII. Rental charges and taxes normally payable by tenants on let properties		-262	-78
(+/-) VIII. Other rental related income and expenses		0	0
PROPERTY RESULT	3	7,672	7,166
(-) IX. Technical costs		-162	-118
(-) X. Commercial costs		-39	-86
(-) XI. Charges and taxes of unlet properties		-130	-154
(-) XII. Property management costs		-294	-269
(-) XIII. Other property charges		0	0
PROPERTY CHARGES		-626	-628
PROPERTY OPERATING RESULT		7,046	6,539
(-) XIV. General company expenses		-1,056	-1,065
(+/-) XV. Other operating income and charges		10	0
OPERATING RESULT BEFORE PORTFOLIO RESULT		6,000	5,473
(+/-) XVI. Gains and losses on disposals of investment properties		145	128
(+/-) XVII. Gains and losses on disposals of other non-financial assets		0	0
(+/-) XVIII. Changes in Fair Value of investment properties		-5,374	-1,606
(+/-) XIX. Other portfolio result		0	0
PORTFOLIO RESULT	4	-5,229	-1,478
OPERATING RESULT		770	3,995
(+) XX. Financial income		0	10
(-) XXI. Net interest charges		-1,430	-1,354
(-) XXII. Other financial charges		-177	-35
(+/-) XXIII. Changes in Fair Value of financial assets and liabilities		-636	80
FINANCIAL RESULT	5	-2,244	-1,299

PROFIT BEFORE TAXES		-1,473	2,696
(+/-) XXV. Corporate tax		-119	-205
(+/-) XXVI. Exit tax		0	0
TAXES		-119	-205
NET PROFIT		-1,592	2,491
Attributable to:			
Shareholders of the group		-1,587	2,497
Minority interests		-6	-6
Explanation:			
Net result (group share)		-1,587	2,497
Adjustment for portfolio result		5,229	1,478
Adjustment for changes in Fair Value of assets and liabilities (non-effective interest hedges)		636	-80
EPRA EARNINGS*		4,279	3,896

*The EPRA earnings consist of the Net result (group share) exclusive of the portfolio result and changes in Fair Value of the non-effective interest hedges

B. STATEMENT OF COMPREHENSIVE INCOME

FIGURES IN THOUSANDS EUR

	Notes	30/06/2018	30/06/2017
I. NET PROFIT		-1,592	2,491
II. OTHER COMPREHENSIVE INCOME RECYCLABLE UNDER THE INCOME STATEMENT		0	0
COMPREHENSIVE INCOME		-1,592	2,491
Attributable to:			
Shareholders of the group		-1,587	2,497
Minority interests		-6	-6

6.2 EARNINGS PER SHARE – GROUP SHARE

	Notes	30/06/2018	30/06/2017
Number of ordinary shares in circulation at the end of the financial year	7	5,665,822	5,129,802
Weighted average number of shares during the financial year	7	5,665,822	5,129,802
EARNINGS PER ORDINARY SHARE - GROUP SHARE (in EUR)		-0.28	0.49
DILUTED NET EARNINGS PER SHARE - GROUP SHARE (in EUR)		-0.28	0.49

6.3 CONDENSED CONSOLIDATED BALANCE SHEET

FIGURES IN THOUSANDS EUR

	Notes	30/06/2018	31/12/2017
ASSETS			
I. FIXED ASSETS		281,136	287,452
A Goodwill		0	0
B Intangible fixed assets		0	0
C Investment properties	6	281,094	287,404
D Other tangible fixed assets		43	49
E Non-current financial assets		0	0
F Finance lease receivables		0	0
G Trade receivables and other non-current assets		0	0
H Deferred tax assets		0	0
I Stakes in associates and joint ventures – changes in equity		0	0
II. CURRENT ASSETS		2,515	3,870
A Assets classified as held for sale		0	0
B Current financial assets		0	0
C Finance lease receivables		0	0
D Trade receivables		175	629
E Tax receivables and other current assets		740	513
F Cash and cash equivalents		1,453	2,577
G Deferred charges and accrued income		147	152
TOTAL ASSETS		283,651	291,322

FIGURES IN THOUSANDS EUR

	Notes	30/06/2018	31/12/2017
LIABILITIES			
EQUITY		127,060	134,978
I. Equity attributable to the shareholders of the parent company		126,798	134,710
A Capital	7	131,572	131,572
B Issue premiums		1,496	1,496
C Reserves		-4,684	-3,124
D Net profit of the year		-1,587	4,766
II. Minority interests		262	267
LIABILITIES		156,591	156,344
I. Non-current liabilities		110,769	126,456
A Provisions		0	0
B Non-current financial debts	8	108,936	124,434
a. Borrowings		108,936	124,434
b. Financial lease		0	0
c. Other		0	0
C Other non-current financial liabilities		1,459	1,639
D Trade debts and other non-current debts		0	0
E Other non-current liabilities		104	113
F Deferred taxes – liabilities		270	270
II. Current liabilities		45,822	29,888
A Provisions		0	0
B Current financial debts		41,997	24,994
a. Borrowings		41,997	24,994
b. Financial lease		0	0
c. Other		0	0
C Other current financial liabilities		88	174
D Trade debts and other current debts		1,759	2,640
E Other current liabilities		1,349	1,327
F Accrued charges and deferred income		630	753
TOTAL EQUITY AND LIABILITIES		283,651	291,322

6.4 CONSOLIDATED CASH FLOW STATEMENT

FIGURES IN THOUSANDS EUR

	Notes	30/06/2018	30/06/2017
CASH AND CASH EQUIVALENTS START OF PERIOD		2,577	7,005
1. Cashflow from operating activities		3,753	1,449
Net profit		-1,592	2,491
Non-paid interest and bank charges		97	70
Adaptation of the result for non-cash flow transactions		6,024	1,840
- Depreciation on capitalized financing charges		19	14
- Depreciation on intangible and other tangible fixed assets		11	15
- Result from the sale of investment properties	4	-145	-128
- Increase / decrease of receivable invoices (+/-)		432	414
- Changes in Fair Value of investment properties and project developments	4	5,374	1,606
- Changes in Fair Value of financial assets and liabilities		333	-81
Changes in working capital requirements:		-778	-2,952
Movement of assets:		747	331
- Trade receivables		454	478
- Tax receivables and other current assets		288	-170
- Deferred charges and accrued income		5	24
Movement of liabilities:		-1,525	-3,283
- Other current financial liabilities		-9	18
- Provisions		0	-3,000
- Other non-current liabilities		-1,161	-64
- Deferred taxes - liabilities		22	-220
- Trade debts and other current debts		-376	-17
2. Cash flow resulting from investment activities		561	-31,813
Purchase of intangible and other tangible fixed assets		-5	-22
Purchase of shares of real estate companies	11	0	0
Purchase of properties	6	0	-32,752
Investments in existing properties		-109	-167
Earnings from the sale of investment properties	4	675	1,128
Bank interest received		0	0
3. Cash flow from financing activities		5,438	-24,969
Repayment of loans		-42,000	0
Take-up of loans	8	43,500	31,000
Costs for capital increase		0	-14
Payment on dividends		-6,925	-6,007
Payment on transaction costs		-13	-10
CASH AND CASH EQUIVALENTS END OF PERIOD		1,453	1,611

6.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FIGURES IN THOUSANDS EUR	Capital	Cost of Capital increase	Issue premiums	Reserves	Net result of the financial year	Minority interests	Equity
BALANCE SHEET ON 30 DECEMBER 2016	119,262	-110	1,459	-5,616	7,782	277	123,053
Appropriation of result 2016	0	0	0	1,775	-7,782	0	-6,007
Transfer of portfolio result to reserves				1,230	-1,230		
Transfer of operating result to reserves				545	-545		
Dividend for financial year 2016					-6,007		-6,007
Net result 2017	0	0	0	0	4,766	-10	4,756
Other elements recognized in the comprehensive result	0	0	0	717	0	0	717
Impact on the Fair Value of estimated transaction costs resulting from the hypothetical disposal of investment properties							
Change in Fair Value of properties							
Reserve for the impact on the Fair Value of financial instruments				717			717
Public issue of new shares							
Capital increase by contribution in kind	12,462	-41	37	0	0	0	12,458
Minority interests							
BALANCE SHEET ON 31 DECEMBER 2017	131,724	-152	1,496	-3,124	4,766	267	134,978

FIGURES IN THOUSANDS EUR	Capital	Cost of Capital increase	Issue premiums	Reserves	Net result of the financial year	Minority interests	Equity
BALANCE SHEET ON 31 DECEMBER 2017	131,724	-152	1,496	-3,124	4,766	267	134,978
Appropriation of result 2017	0	0	0	-2,159	-4,766	0	-6,925
Transfer of portfolio result to reserves				-4,056	4,056		
Transfer of operating result to reserves				1,857	-1,857		
Dividend for financial year 2017				40	-40		
Transfer of portfolio result to reserves					-6,925		-6,925
Net result 2018	0	0	0	0	-1,587	-6	-1,592
Other elements recognized in the comprehensive result	0	0	0	599	0	0	599
Impact on the Fair Value of estimated transaction costs resulting from the hypothetical disposal of investment properties							
Change in Fair Value of properties							
Reserve for the impact on the Fair Value of financial instruments				599			599
Public issue of new shares							
Capital increase by contribution in kind	0	0	0	0	0	0	0
Minority interests							
BALANCE SHEET ON 30 JUNE 2018	131,724	-152	1,496	-4,684	-1,587	262	127,060

6.6 DETAIL OF THE CONSOLIDATED RESERVES

FIGURES IN THOUSANDS EUR

	Legal reserve	Reserve for the balance of changes in Fair Value of properties	Reserve for the impact on Fair Value of estimated transaction charges resulting from the hypothetical disposal of investment properties	Reserve for the balance of changes in Fair Value of authorized hedge instruments which are subject to a hedge accounting as defined in IFRS	Reserve for the balance of changes in Fair Value of authorized hedge instruments which are not subject to a hedge accounting as defined in IFRS	Available reserve: reserve for foreseeable losses	Other reserves	Results carried forward from previous financial years	Total reserves
BALANCE SHEET ON 31 DECEMBER 2017	0	3,995	-7,416	-1,854	0	14	0	2,138	-3,124
Processing of net result 2017	0	-1,986	-2,070	0	40	0	0	1,857	2,159
Transfer of portfolio result to reserves		-1,986	-2,070						-4,056
Transfer of operating result to reserves								1,857	1,857
Transfer of variations in the Fair Value of financial instruments					40				40
Result for the period									0
Other elements recognized in the comprehensive result	0	0	0	599	13	0	0	-13	639
Changes in Fair Value of properties									0
Changes in Fair Value of financial assets and liabilities				599	13			-13	639
BALANCE SHEET ON 30 JUNE 2018	0	2,009	-9,486	-1,255	53	14	0	3,982	-4,684

6.7 NOTES

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NOTE 1. PRINCIPLES FOR FINANCIAL REPORTING

N 1.1 GENERAL

The financial reporting of Qrf City Retail is drawn up in accordance with the IFRS as approved in the European Union and the provisions of the RREC Act.

This interim financial information concerning the period ending on 30 June 2018 is drawn up in accordance with IAS 34, "Interim financial reporting". This interim financial report should be read in conjunction with the annual financial statements of the financial year ending on 31 December 2017.

Qrf City Retail has not applied new IFRS standards or interpretations during the first half of 2018 in her principles and the valuation methods applied for the composition of these interim financial overviews are identical to those applied in the financial year ending on 31 December 2017.

No statutory half-year financial report is drawn up per 30 June. The statutory financial report is only drawn up per year end.

NOTE 2. INFORMATION BY SEGMENT

FIGURES IN THOUSANDS EUR	30/06/2018 BELGIUM		NETHERLANDS		Non-attributed amounts	TOTAL
	Inner city	Periphery	Inner city	Periphery		
NET RENTAL INCOME	5,945	1,110	702	0	0	7,756
PROPERTY RESULT	5,938	1,110	623	0	0	7,672
PROPERTY CHARGES	-521	-80	-26	0	0	-626
OPERATING PROPERTY RESULT	5,418	1,030	598	0	0	7,046
(-) General company expenses	-132	-7	-20	0	-897	-1,056
(+/-) Other operating income and charges	0	0	0	0	10	10
OPERATING RESULT BEFORE THE RESULT ON THE PORTFOLIO	5,286	1,022	578	0	-887	6,000
(+/-) Result on disposals of investment properties	145	0	0	0	0	145
(+/-) Changes in Fair Value of investment properties	-6,206	662	170	0	0	-5,374
(+/-) Other portfolio result	0	0	0	0	0	0
OPERATING RESULT	-775	1,684	748	0	-887	770
FINANCIAL RESULT	0	0	0	0	-2,243	-2,243
RESULT BEFORE TAXES	-775	1,684	748	0	-3,130	-1,473
TAXES	0	0	0	0	-120	-120
NET RESULT	-775	1,684	748	0	-887	771
MINORITY INTERESTS	-6	0	0	0	0	-6
NET RESULT - GROUP SHARE	-769	1,684	748	0	-3,250	-1,587

30/06/2017
BELGIUM

Inner city	Periphery	NETHERLANDS		Non-attributed amounts	TOTAL
		Inner city	Periphery		
5,734	1,228	244	0	0	7,205
5,734	1,228	204	0	0	7,166
-540	-84	-4	0	0	-628
5,194	1,144	200	0	0	6,539
-48	-2	-19	0	-996	-1,065
0	0	0	0	0	0
5,147	1,142	182	0	-996	5,472
128	0	0	0	0	128
44	150	-1,799	0	0	-1,606
0	0	0	0	0	0
5,318	1,292	-1,617	0	-996	3,995
0	0	0	0	-1,299	-1,299
5,318	1,292	-1,617	0	-2,295	2,697
0	0	0	0	-203	-203
5,318	1,292	-1,617	0	-2,500	2,492
-6	0	0	0	0	-6
5,318	1,292	-1,617	0	-2,500	2,492

FIGURES IN THOUSANDS EUR	30/06/2018 BELGIUM		NETHERLANDS		Non-attributed amounts	TOTAL
	Inner city	Periphery	Inner city	Periphery		
ASSETS						
Investment properties	219,963	33,660	27,470	0	0	281,093
Other assets	0	0	0	0	2,558	2,558
TOTAL ASSETS	219,963	33,660	27,470	0	2,558	283,651
LIABILITIES						
EQUITY	0	0	0	0	127,060	127,060
Group equity	0	0	0	0	126,798	126,798
Minority interests	0	0	0	0	262	262
LIABILITIES	0	0	0	0	156,591	156,591
TOTAL EQUITY AND LIABILITIES	0	0	0	0	283,652	283,651

The Board of Directors of the Statutory Manager is the body that takes decisions and measures the performance of the different segments. The Board

of Directors examines the results in terms of type of real estate (inner city and periphery) and geographic spread.

NOTE 3. PROPERTY RESULT

FIGURES IN THOUSANDS EUR	30/06/2018	30/06/2017
(+) I. Rental income	7,845	7,298
- Rent	7,845	7,298
- Guaranteed income	0	0
(+) II. Writeback of leased payments sold and discounted	0	0
(+/-) III. Rental related expenses	-89	-93
- Write-downs on trade receivables	-91	-112
- Reversals of write-downs on trade receivables	2	19
NET RENTAL INCOME	7,756	7,205
(+) IV. Recovery of property charges	0	0
(+) V. Recovery of rental charges and taxes normally payable by tenants on let properties	177	39
- Rebilling of rental charges borne by the owner	27	0
- Rebilling of advance levies and taxes on let properties	151	39
(-) VI. Costs payable by the tenants and borne by the owner on the rental damage and refurbishment	0	0
(-) VII. Rental charges and taxes normally payable by tenants on let properties	-262	-78
- Rental charges borne by the owner	-27	0
- Advance levies and charges on let properties	-236	-78
- Other rental charges	0	0
(+/-) Other rental related income and expenses	0	0
PROPERTY RESULT	7,672	7,166

31/12/2017
BELGIUM

Inner city	Periphery	Inner city	Periphery	Non-attributed amounts	TOTAL
226,934	33,170	27,300	0	0	287,404
0	0	0	0	3,918	3,918
226,934	33,170	27,300	0	3,918	291,322
0	0	0	0	134,979	134,979
0	0	0	0	134,711	134,711
0	0	0	0	267	267
0	0	0	0	156,344	156,344
0	0	0	0	291,322	291,322

NETHERLANDS

The cash value of the future rental income until the first due date of the rental income has the following collection terms:

FIGURES IN THOUSANDS EUR

	30/06/2018	30/06/2017
STATEMENT OF THE CONTRACTUAL RENTAL INCOME RECEIVABLE ON THE FIRST DUE DATE		
Within one year	13.546	13.815
Between one and five years	9.883	14.597
More than five years	2.890	4.388
TOTAL	26.319	32.800

In Belgium, most Qrf City Retail leases are commercial leases for a period of 9 years which can in principle be terminated by the tenant after the expiry of the third and sixth year, subject to service of 6 months' prior notice.

In the Netherlands, most Qrf City Retail leases are commercial leases for a period of 5 years, which can grant a contractual option for extension by the tenant for a period of 5 or 10 years, with a termination option for the tenant at the end of the first period, as well as at the end of each subsequent period.

To ensure compliance with the obligations incumbent on the tenant by virtue of the lease, tenants in Belgium and the Netherlands alike must in principle provide a rent guarantee, usually in the form of a bank guarantee of three to six months' rent.

The rent, in both Belgium and the Netherlands, is payable monthly (sometimes quarterly) in advance and usually indexed annually on the expiry date. Taxes and charges (inclusive of the advance levy on income derived from real estate and municipal charges) are borne in principle by the tenant.

An incoming inventory of fixtures is usually drawn up by an independent expert at the start of the lease. Upon the expiry of the lease, the tenant must return the premises in the state as described in the incoming inventory of fixtures, subject to normal wear. The tenant may not transfer the lease nor sublet the premises in full or in part, without the prior, written consent of the lessor. The tenant is required to register the lease at his expense.

NOTE 4. PORTFOLIO RESULT

FIGURES IN THOUSANDS EUR

	30/06/2018	30/06/2017
(+/-) XVI. Result on disposals of investment properties	145	128
- Net sales of properties (selling price – transaction costs)	675	1,128
- Asset value of the sold properties	-530	-1,000
(+/-) XVII. Result on disposals of other non-financial assets	0	0
(+/-) XVIII. Changes in Fair Value of investment properties	-5,374	-1,606
- Positive changes in Fair Value of investment properties	2,475	788
- Negative changes in Fair Value of investment properties	-7,849	-2,394
(+/-) XIX. Other portfolio result	0	0
PORTFOLIO RESULT	-5,229	-1,478

NOTE 5. FINANCIAL RESULT

FIGURES IN THOUSANDS EUR

	30/06/2018	30/06/2017
(+) XX. Financial Income	0	10
- Collected interest and dividends	0	10
(-) XXI. Net interest charges	-1,430	-1,354
- Nominal interest charges on loans	-999	-930
- Costs of authorized hedging instruments	-430	-424
- Other interest charges	0	0
(-) XXII. Other financial charges	-177	-35
- Bank charges and other commissions	-177	-35
(+/-) XXIII. Changes in Fair Value of financial assets and liabilities	-636	80
- Authorized hedging instruments subject to hedge accounting as defined in IFRS	0	0
- Authorized hedging instruments not subject to hedge accounting as defined in IFRS	-636	80
FINANCIAL RESULT	-2,244	-1,299

Qrf City Retail is exposed to increases in financial costs that can be caused by a rise in interest rates. To limit this risk, Qrf City Retail has partly converted floating interests into fixed interest rates by means of interest rate swaps. The duration of these financial instruments is aligned with the duration of the credits of Qrf City Retail. If the long-term interest rates decline sharply, the market value of these interest rate swaps can become highly negative.

The derivatives currently used by Qrf City Retail no longer qualify as cash flow hedge transactions. The changes in the Fair Value of the derivatives that do not qualify as cash flow hedges are immediately recognized in the result.

The Cost of Financing for the first half of 2018 amounted to 1.92% including credit margins and the cost of hedging instruments. On 30 June 2018, 92.1% of the lines of credit (for 139 MEUR) had a fixed interest rate, in particular through using interest rate swaps as hedging instruments.

NOTE 6. INVESTMENT PROPERTIES

FIGURES IN THOUSANDS EUR

	30/06/2018	31/12/2017
INVESTMENT TABLE		
Balance at the beginning of the financial year	287,404	250,724
Acquisition by purchase or contribution of investment companies	0	0
Acquisition by purchase or contribution of investment properties	0	45,480
Other elements recognized in the result	-515	-1,152
Sale of investment properties	-530	-5,150
Capitalized expenditures (Capex)	109	1,573
Change in Fair Value of investment properties	-5,374	-4,071
Balance at the end of the financial year	281,094	287,404

NOTE 7. CAPITAL

FIGURES IN THOUSANDS EUR

		Capital movement	Total outstanding capital	Issue premiums	Costs of capital increase	Number of shares issued	Total number of shares
FIGURES IN THOUSANDS EUR							
EVOLUTION CAPITAL							
Date	Transaction						
03/09/2013	Formation	62	62			1,230	1,230
27/11/2013	Share split (1 against 2)	0	62			1,230	2,460
27/11/2013	Contribution in cash	1,139	1,200			45,540	48,000
18/12/2013	Contribution of Laagland	5,243	6,443			209,711	257,711
18/12/2013	IPO and first listing on Euronext Brussels	75,380	81,823			3,015,200	3,272,911
18/12/2013	Capital reduction to hedge future losses	-5,734	76,089			0	3,272,911
BALANCE SHEET ON 30 DECEMBER 2013			76,089				3,272,911
BALANCE SHEET ON 30 DECEMBER 2014			76,089				3,272,911
Date	Transaction						
24/06/2015	Capital increase by contribution in kind	4,490	80,579	238	-20	193,097	3,466,008
08/12/2015	Capital increase by contribution in kind	14,733	95,312	608	-8	633,680	4,099,688
09/12/2015	Contribution of company TT Center plus	8,913	104,225	37	-5	383,363	4,483,051
BALANCE SHEET ON 30 DECEMBER 2015			104,225	883	-32		4,483,051
Date	Transaction						
01/01/2016	Capital increase by contribution in kind (relating to financial year 2015)		104,225		-23		4,483,051
30/06/2016	Capital increase by contribution in kind	7,567	111,792	371	-27	325,466	4,808,517
21/12/2016	Capital increase by contribution in kind	7,470	119,262	206	-28	321,285	5,129,802
BALANCE SHEET ON 30 DECEMBER 2016			119,262	1,459	-111		5,129,802
Date	Transaction						
01/01/2017	Capital increase by contribution in kind (relating to financial year 2016)		119,262		-14		5,129,802
25/09/2017	Capital increase by contribution in kind	12,462	131,724	38	-27	536,020	5,665,822
BALANCE SHEET ON 31 DECEMBER 2017			131,724	1,496	-152		5,665,822
BALANCE SHEET ON 30 JUNE 2018			131,724	1,496	-152		5,665,822

No capital operations were carried out in financial year 2014.

NOTE 8. FINANCIAL DEBTS

FIGURES IN THOUSANDS EUR	30/06/2018	31/12/2017
FINANCIAL DEBTS		
I. B. Non-current financial debts	108,936	124,434
-Credit institutions	109,000	124,500
-Cost of borrowings	-64	-66
II. B. Current financial debts	41,997	24,994
-Credit institutions	42,000	25,000
-Cost of borrowings	-3	-6
TOTAL	150,933	149,428

FIGURES IN THOUSANDS EUR	30/06/2018	31/12/2017
BREAKDOWN BY MATURITY OF NON-CURRENT FINANCIAL DEBTS		
Between one and two years	5,000	15,000
Between two and five years	55,000	65,500
More than five years	49,000	44,000
TOTAL	109,000	124,500

FIGURES IN THOUSANDS EUR	30/06/2018	31/12/2017
BREAKDOWN BY MATURITY OF UNDRAWN CREDIT FACILITIES		
Payable within one year	0	0
Payable after one year	60,000	14,500
TOTAL	60,000	14,500

FIGURES IN THOUSANDS EUR	30/06/2018	31/12/2017
ESTIMATED FUTURE INTEREST CHARGES ON BORROWINGS		
Within one year	2,320	3,040
Between one and five years	5,710	7,210
More than five years	1,871	2,151
TOTAL	9,900	12,401

In estimating the future interest charges, due account is taken of the financial debts on 30 June 2018, interest hedges corresponding to the current contracts and applicable margin on top to the current fixed interest rate.

NOTE 9. FINANCIAL ASSETS AND LIABILITIES

FIGURES IN THOUSANDS EUR	Category	31/12/2017 Asset value	31/12/2017 Fair Value	Level
STATEMENT OF FINANCIAL ASSETS AND LIABILITIES				
ASSETS				
Current financial assets				
Trade receivables	B	629	629	Level 2
Tax receivables and other current assets	B	513	513	Level 2
Cash and cash equivalents	C	2,577	2,577	Level 1
TOTAL FINANCIAL ASSETS		3,718	3,718	
LIABILITIES				
Non-current financial liabilities				
Non-current financial debts	B	124,434	124,434	Level 2
Other non-current financial liabilities				
Other non-current financial liabilities	A	1,639	1,639	Level 2
Current financial liabilities				
Trade debts and other current debts	B	2,640	2,640	Level 2
Other current liabilities	B	1,327	1,327	Level 2
Current financial liabilities	B	24,994	24,994	Level 2
Other current financial liabilities	A	174	174	Level 2
TOTAL FINANCIAL LIABILITIES		155,208	155,208	

FIGURES IN THOUSANDS EUR	Category	30/06/2018 Asset value	30/06/2018 Fair Value	Level
STATEMENT OF FINANCIAL ASSETS AND LIABILITIES				
ASSETS				
Current financial assets				
Trade receivables	B	175	175	Level 2
Tax receivables and other current assets	B	740	740	Level 2
Cash and cash equivalents	C	1,453	1,453	Level 1
TOTAL FINANCIAL ASSETS		2,368	2,368	
LIABILITIES				
Non-current financial liabilities				
Non-current financial debts	B	108,936	108,936	Level 2
Other non-current financial liabilities				
Other non-current financial liabilities	A	1,459	1,459	Level 2
Current financial liabilities				
Trade debts and other current debts	B	1,759	1,759	Level 2
Other current liabilities	B	1,349	1,349	Level 2
Current financial debts	B	41,997	41,997	Level 2
Other current financial liabilities	A	88	88	Level 2
TOTAL FINANCIAL LIABILITIES		155,588	155,588	

The categories correspond to the following financial instruments:

A. Assets or liabilities held at Fair Value (hedging instruments).

B. Financial assets or liabilities (including receivables and loans) at the amortized cost.

C. Cash investments at amortized cost.

All the Group's financial instruments correspond to levels 1 and 2 in the Fair Value hierarchy. The valuation at Fair Value is carried out on a regular basis.

Level 1 in the Fair Value hierarchy retains the cash and cash equivalents.

Level 2 in the Fair Value hierarchy concerns the other financial assets and liabilities, the Fair Value of which is based on other data which can be fixed directly or indirectly for the assets and liabilities concerned. The valuation techniques concerning the Fair Value of the level 2 financial instruments are as follows:

- The heading "financial fixed assets" concerns interest rate swaps; (IRS) the Fair Value of which is fixed using interest rates applicable on active markets and generally delivered by financial institutions;
- The Fair Value of the other level 2 financial assets and liabilities is almost the same as their nominal value: either because they have a maturity date in the short term (such as trade receivables and debts) or because they bear a floating interest rate.

NOTE 10. DEBT RATIO

FIGURES IN THOUSANDS EUR

	30/06/2018	31/12/2017
Liabilities	156.591	156.344
- Adjustments	-2.447	-2.835
Debt burden pursuant to Article 13 of the RREC Royal Decree	154.144	153.508
Total assets	283.651	291.322
DEBT RATIO	54,34%	52,69%

The debt burden as referred to in Article 13 of the RREC Royal Decree amounts to 154,144 KEUR on 30 June 2018. The Debt ratio amounts to 54.34% on 30 June 2018.

The Debt ratio is calculated as the ratio of the debt burden (i.e. the liabilities exclusive of provisions, accrued charges and deferred income and other non-current/current financial liabilities, such as primarily the negative changes in Fair Value of the hedging instruments) with regard to the total assets.

Qrf City Retail must continue to meet the financial ratios as stipulated by the RREC Act. Unless this is

the result of a change in the Fair Value of the assets, the Debt ratio of an RREC may not amount to more than 65% of the assets, less the authorized hedging instruments, pursuant to Article 45 of the RREC Act. If the Debt ratio of Qrf City retail were to exceed 50%, it must take a number of steps, in particular draw up a financial plan with a description of measures that will be taken to prevent the Debt ratio from rising above 65%. The annual financial costs relating to the debt burden of an RREC and its subsidiaries may at no time amount to more than 80% of the consolidated net operating result of Qrf City Retail. Furthermore, a covenant is agreed in certain financing agreements with financial institutions that the Debt ratio of Qrf City Retail may not amount to more than 60%.

The Debt ratio amounts to 54.34% on 30 June 2018. Qrf City Retail is endeavoring to maintain a Debt ratio of 55% maximum in the long term.

Pursuant to Article 24 of the RREC RD, the public RREC must draw up a financial plan with an implementation schedule when its consolidated Debt ratio amounts to more than 50% of the consolidated assets. The financial plan provides a description of the measures that will be taken to prevent the consolidated Debt ratio from exceeding 65% of the consolidated assets. A special report on the financial plan is drawn up by the auditor, in which it is confirmed that the latter has verified the plan, namely as regards the economic principles thereof, and that the figures contained therein correspond to those in the accounts of the public RREC. The general guidelines of the financial plan are entered in the annual and semi-annual financial reports, where a description and justification are also provided as to how the financial plan was carried out in the course of the relevant period and how the public RREC will implement the plan in the future.

N 10.1 HISTORICAL DEVELOPMENT OF THE DEBT RATIO

The Debt ratio of Qrf Comm. VA rose above 50% in the first half of 2018. At the end of financial years 2015, 2016 and 2017 it amounted to 49.27%, 49.76% and 52.69% respectively.

N 10.2 EVOLUTION OF THE DEBT RATIO IN THE SHORT TERM

The following assumptions are taken into account when drawing up the projection of the Debt ratio on 31 December 2018:

- There are no planned divestments for the second half of 2018;
- There are no planned investments for the second half of 2018;
- EPRA earnings 2018 in the second half of 2018 in accordance with the budgeted EPRA earnings for 2018.

Taking into account these assumptions, the Debt ratio on 31 December 2018 would be 52.93%.

N 10.3 DEVELOPMENT OF DEBT RATIO IN THE LONG TERM

The Board of Directors is targeting a Debt ratio of 55% maximum in the long term, considering this to be optimal for the shareholders of the RREC in terms of yield and EPRA earnings per share. The impact of each investment on the Debt ratio is examined and turned down if it would turn out to be negative for the debt ratio. Based on the current Debt ratio of 54.34%, Qrf City Retail has an investment potential of 96.72 MEUR without exceeding a Debt ratio of 65% and an investment potential of 50.21 MEUR without exceeding a Debt ratio of 60%.

Changes in the valuation of the real estate portfolio can also have an impact on the Debt ratio. Based on the current capital base, the value of Qrf City Retail's portfolio can decrease with 52.65 MEUR without exceeding the Debt ratio of 65% and with 33.51 MEUR without exceeding a Debt ratio of 60%.

N 10.4 CONCLUSION

Qrf City Retail therefore believes that the Debt ratio will not rise above 65% and that, given the prevailing economic and real estate trends, the planned investments and expected development of the RREC's equity, no additional measures have to be taken. If certain events should require an adjustment of the RREC's policy, this will be done at once and the shareholders will be informed accordingly in the RREC's periodic reporting.

NOTE 11. CREATED COMPANIES

Qrf City Retail has not created or taken over real estate companies in the first half of 2018.

NOTE 12. CONSOLIDATION SCOPE

On 30 June 2018, the consolidation scope consists of Qrf City Retail and its Perimeter Companies:

- Century Center Freehold BVBA, of which 51% of the shares are held by Qrf City Retail;
- Rigs NV, of which 100% of the shares are held by Qrf City Retail;
- Qrf Nederland BV, of which 100% of the shares are held by Qrf City Retail.

NOTE 13. OFF-BALANCE SHEET RIGHTS AND COMMITMENTS

N 13.1 COURT AND ARBITRATION PROCEEDINGS

Qrf City Retail has various collection proceedings in progress, which can have a limited impact on the figures. In addition, Qrf City Retail is involved in a number of court cases. These disputes concern disagreements with certain tenants on applications for lease renewals to which tenants are entitled pursuant to Article 13 of the Commercial Lease Act. In this connection, particular attention is paid to a dispute with H&M concerning the application to renew the lease concerning the property at Demerstraat 21-25, 3500 Hasselt and the property at Alsebergsesteenweg 767, 1180 Uccle.

There is a risk that the conditions decided by the court would lead to a lowering of the rent level, which could in turn lead to a considerable reduction in the value of the property in question, the largest part of which is rented by H&M. Qrf City Retail can, currently, not estimate the potential impact on the valuation of the property. On 30 June 2018, the rent of H&M for these properties represented 9.4% of the total Contractual Rents.

In addition, there is a dispute pending regarding takeover of the company Center Commercial Hutois NV in Huy, where there is a discussion with the former owners concerning the regularization of the building permit.

N 13.2 RENTAL GUARANTEES

The following rental guarantees were provided to Qrf City Retail:

- A rental income guarantee was provided for the properties at Wiegstraat 4 and 6, Antwerp, for 126 KEUR on an annual basis. The rental guarantee entered into force on 29 October 2017 and is to expire after a 2-year period on 29 October 2019. This guarantee was not called in 2018.
- A rental income guarantee was provided for the property at Schrijnwerkerstraat 15, Antwerp for 75 KEUR on an annual basis. The rental income guarantee entered into force on 29 October 2017 and is to expire after a 2-year period on 29 October 2019. This guarantee was called in 2018. An amount of 25 KEUR was recognized in the income statement.

NOTE 14. RELATED PARTY TRANSACTIONS WITH RESPECT TO THE INCOME STATEMENT

FIGURES IN THOUSANDS EUR

	30/06/2018	30/06/2017
RELATED PARTY TRANSACTIONS		
XIV. General company expenses	531	468
- Remuneration for the Executive Management	317	258
- Remuneration for the Statutory Manager	156	68
- Operating charges for the Statutory Manager	1	4
- Remuneration for the Board of Directors and committees	58	38
X. Commercial costs	39	31
- Remuneration for Quares Property Management NV / Quares Property Management BV	39	31
XII. Property management costs	294	269
Remuneration for Quares Property Management NV / Quares Property Management BV	294	269
Trade receivables	0	0
Trade debts and other current debts	40	-22

In the first half of 2018, an amount of 864 KEUR was entered in the income statement for transactions with related parties.

NOTE 15. EVENTS AFTER CLOSING OF THE BALANCE

No events worth mentioning occurred after the closing of the balance on 30 June 2018.

6.8 AUDITOR'S REPORT

QRF COMM. VA

AUDITOR'S REPORT FOR THE AUTHORITY FOR FINANCIAL SERVICES AND MARKETS CONCERNING THE REVIEW OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF QRF COMM. VA FOR THE SIX MONTH PERIOD ENDING ON 30 JUNE 2018.

17 August 2018

Assignment

We have audited the Condensed Consolidated Financial Statements of Qrf Comm. VA and its subsidiaries closed on 30 June 2018 in accordance with the articles 10 and 11, §2 of the RD of 23 April 2018, with a balance sheet total of '000' EUR 283,615 and with the intermediate result closing with '000' EUR 1,592 profit.

The drawing up of the Condensed Consolidated Financial Statements in accordance with the RD of 23 April 2018 is the responsibility of the Board of Directors of the Statutory Manager. It is our responsibility to report to the Authority for Financial Services and Markets (FSMA) on the results of our audit.

Extent of the audit

We have carried out our audit in accordance with the specific standard concerning cooperation in prudential supervision. This standard requires that the audit of the Condensed Consolidated Financial Statements is carried out in accordance with "International Standard on Review Engagements 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and the guidelines provided by the FSMA to auditors. An audit of interim financial information consists of requesting information to mainly financial and accounting managers, and applying analytical and other assessment procedures. The scope of an assessment is substantially less than a check conducted according to "International Standards on Auditing" and therefore does not allow us to state with certainty that we have knowledge of all important data that would have been identified if we had performed a complete audit. We therefore do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that would lead us to believe that the Condensed Consolidated Financial Statements, for the period of six months ending on 30 June 2018, would not be prepared in all material respects in accordance with the articles 10 and 11, §2 of the earlier mentioned RD of 23 April 2018.

Additional confirmations

On the basis of our audit work, we also confirm that:

- the Condensed Consolidated Financial Statements closed on 30 June 2018, in respect to the accounting data, in all material respects comply with the accounting records and the inventories, in terms of *completeness*, this is contain all information in the accounts and the inventories on the basis of which they were drawn up, and *correctness*, this is represent the data correctly from the accounting and inventories on the basis of which they were drawn up;
- we have no knowledge of facts from which it appears that the Condensed Consolidated Financial Statements closed on 30 June 2018, in respect of the accounting data, have not been prepared with the application of the accounting and valuation rules for the preparation of the consolidated annual accounts with regard to the financial year closed on 31 December 2017.

Limitations on use and dissemination present reporting

The Condensed Consolidated Financial Statements were drawn up in order to comply with the prudential reporting requirements set by the FSMA. As a result, the Condensed Consolidated Financial Statements may not be suitable for other purposes.

This reporting is part of the co-operation assignment of the accredited auditors with the prudential supervision of the FSMA and may not be used for any other purposes.

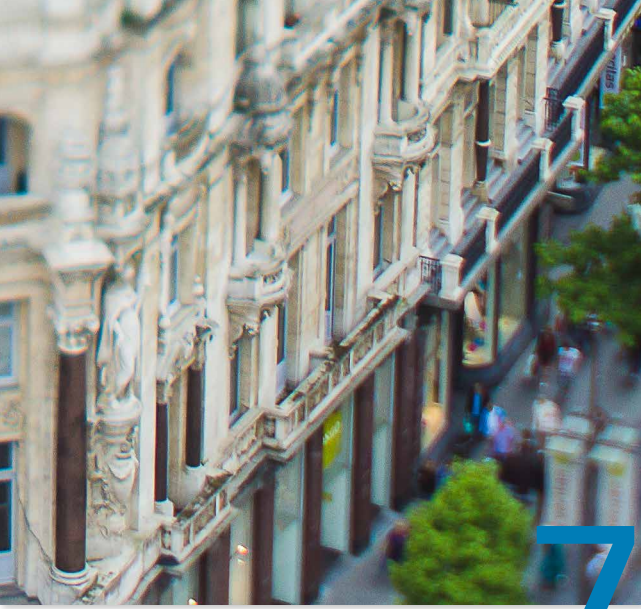
A copy of the reporting is transferred to the effective management. We point out that this report may not be distributed (in full or in part) to third parties without our explicit prior consent.

Sint-Stevens-Woluwe, 17 August 2018

The auditor

PwC Bedrijfsrevisoren bcvba
Represented by

Damien Walgrave
Accredited Auditor



APM – Alternative Performance Measures

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Maastricht
Grote Staat 58
The Netherlands

7 APM – Alternative Performance Measures

The European Securities and Markets Authority (ESMA) has published regulations that are applicable since the 3rd of July 2016 for the use and explanation of alternative performance measures.

Alternative performance measures are measures used by Qrf City Retail in presenting its financial results that are not defined by law or in the International *Financial Reporting Standards* (IFRS).

Below, there is an overview of the alternative performance measures that are used in this financial report, with their definition, goal and reconciliation.

7.1 EPRA NAV

Net Asset Value according to the Best Practice Recommendations of EPRA.

Definition: This is the Net Asset Value adjusted to include properties and other investment interests at Fair Value and to exclude certain items not expected to crystallize in a long-term investment property business model.

Objective: This APM shows the Net Asset Value for a long-term investment strategy.

For the reconciliation of this APM reference is made to the reconciliation table EPRA NAV per share.

7.2 EPRA NAV PER SHARE

Net Asset Value per share according to the EPRA Best Practices Recommendations.

Definition: 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.

Objective: This APM shows the Net Asset Value per share for a long-term investment strategy.

Reconciliation:

FIGURES IN THOUSANDS EUR

	30/06/2018	31/12/2017
IFRS NAV (group shareholders)	126,798	134,710
(iv) Fair Value of financial instruments	1,547	1,813
(v.a) Deferred tax	270	270
Minority interests with regards to deferred tax	-132	-132
EPRA NAV	128,483	136,661
Number of shares	5,665,822	5,665,822
EPRA NAV per share (in EUR)	22.68	24.12

7.3 EPRA EARNINGS

Definition: Net result (group share) with the exclusion of the portfolio result and changes in Fair Value of non-effective interest rate hedges. This term is used in accordance with the EPRA Best Practices Recommendations.

Objective: This APM measures the underlying operational results of the company, with the exclusion of the result arising out of fluctuations in the value of assets and liabilities and capital gains and losses from the sale of investment properties.

Reconciliation:

FIGURES IN THOUSANDS EUR	30/06/2018	30/06/2017
IFRS result (group share)	-1,587	2,497
(i) Changes in the Fair Value of real estate investments	5,374	1,606
(ii) Profit or loss on the sale of real estate investments	-145	-128
(vi) Changes in the Fair Value of financial instruments	636	-80
EPRA earnings	4,279	3,896
Weighted average number of shares	5,665,822	5,129,802
EPRA earnings per share (in EUR)	0.76	0.76

7.4 AVERAGE COST OF FINANCING

Definition: This is the Average Cost of Financing of the financial debts, calculated by dividing the “net interest charges” on an annual basis by the average amount of outstanding financial debts during the period.

Objective: The Company’s activities are partially financed by incurring debt. This APM measures the Average Cost of Financing of such debts.

Reconciliation:

FIGURES IN THOUSANDS EUR	30/06/2018	30/06/2017
XXI. Net interest costs	1,430	1,354
Weighted average amount of financial debt during the period	74,582	67,456
Average Cost of Financing	1.92%	2.01%

7.5 OPERATING MARGIN

Definition: This alternative performance measure measures the operating profitability of the company as a percentage of the rental income and is calculated by dividing “Operating result before the result on the portfolio” by the “Net rental income”.

Objective: This APM measures the operating profitability of the company.

Reconciliation:

FIGURES IN THOUSANDS EUR	30/06/2018	30/06/2017
Operating result before the result on the portfolio	6,000	5,473
Net rental income	7,756	7,205
Operating margin	77.4%	76.0%



8

Glossary



Antwerp
Schrijnwerkersstraat 15
Belgium

8 Glossary

Acquisition value

The acquisition value is the value of the property when purchased, inclusive of the transfer fees, if any.

Act of 16 June 2006 (Prospectus Act)

The Act of 16 June 2006 on the public offering of investment instruments and the admission of investment instruments for trading on a regulated market, Belgisch Staatsblad [Belgian Official Gazette] of 21 June 2006, 31.341, as amended.

AIFMD

Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) no 1060/2009 and (EU) No 1095/2010 Text with EEA relevance.

Anneleen Desmyter EBVBA

The one-person limited company incorporated under Belgian law Anneleen Desmyter EBVBA, having its registered office at Acaciadreef 7, 2243 Pulle (Zandhoven), registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0537.881.133 (Antwerp Legal Persons' Register, Antwerp section).

Auditor

The auditor of Qrf City Retail, i.e. PwC represented by Mr Damien Walgrave.

Bank business day

A day (other than Saturday, Sunday or official holidays) in Belgium when banks are open for business.

BIV

The Beroepsinstituut van Vastgoedmakelaars [Professional Institute of Real Estate Brokers].

B.M.C.C. BVBA

The private limited liability company incorporated under Belgian law Business Management & Consultancy Center BVBA, having its registered office at Lisbloemstraat 6, 8501 Bissegem, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0880.293.608 (Ghent Legal Persons' Register, Kortrijk section).

Board of Directors

The Board of Directors of the Statutory Manager.

Century Center Freehold BVBA

The private limited liability company incorporated under Belgian law Century Center Freehold BVBA, having its registered office at Museumstraat 11/211, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0879.602.829 (Antwerp Legal Persons' Register, Antwerp section).

CEO

Chief Executive Officer.

CFO

Chief Financial Officer.

Companies Code (W. Venn)

Companies Code of 7 May 1999, Belgisch Staatsblad [Belgian Official Gazette] of 6 August 1999, as amended.

Compliance Officer

Mr Preben Bruggeman, also the CFO of Qrf City Retail.

Contractual Rent

The indexed basic rent as contractually fixed in leases before the deduction of gratuities and other benefits granted to the tenants.

Cushman & Wakefield

The partnership firm under Dutch law Cushman & Wakefield VOF, having its registered office at Gustav Mahlerlaan 362, 1082ME Amsterdam, registered in the Chamber of Commerce under number KvK 33154480, operating in Belgium through its Belgian branch at Koningsstraat 97 (4th floor), 1000 Brussels, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0418.915.383.

Dealing Code

The document included as Annex 2 of the Corporate Governance Charter.

Debt ratio

This is the legal ratio of the obligations (exclusive of provisions, transitory accounts and non-current/current financial liabilities, i.e. negative changes in Fair Value of the hedging instruments) with regard to the total assets calculated according to the method in Article 13, §1, 2°, of the RREC RD.

EBVBA

An one-person private company with limited liability.

EMIR

Regulation (EU) no. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories

Estimated Rental Value ('ERV')

This is the Estimated Rental Value on an annual basis used by the Property Expert in valuation reports.

Euronext Brussels

The regulated market of Euronext Brussels NV.

Euronext Brussels NV

The public limited company incorporated under Belgian law Euronext Brussels NV, having its registered office at Markiesstraat 1, box 1, 1000 Brussels, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0242.100.122 (Brussels Legal Persons' Register, Registry of the Brussels Dutch-speaking Commercial Court), The Belgian market company that runs Euronext Brussels.

EY

Ernst & Young Advisory Services. The limited cooperative partnership having its registered office at De Kleetlaan 2, 1831 Diegem, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0467.239.793 (Brussels Legal Persons' Register, Registry of the Brussels Dutch-speaking Commercial Court).

Fair Value

The amount for which a property can be exchanged between well informed, independent parties who are prepared for a transaction, with deduction of transfer taxes or registration fees from the seller's perspective.

Finance Manager

The internal staff member of the company who keeps the accounts.

Fontenelle BVBA

The private limited liability company incorporated under Belgian law Fontenelle BVBA, having its registered office at Diamantlaan 24, 1030 Brussel, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0462.347.332 (Brussels Legal Persons' Register, Registry of the Brussels Dutch-speaking Commercial Court).

FSMA

The Belgian Financial Services and Markets Authority.

Governance Code 2009

The Belgian Corporate Governance Code for listed companies of 2009, drawn up by the Corporate Governance Commission and posted on: <http://www.corporategovernancecommittee.be/library/documents/final%20code/CorporateGovNLCODE2009.pdf>.

Group

Orf City Retail and its Perimeter Companies.

IASB

International Accounting Standards Board.

IFRIC

International Financial Reporting Interpretations Committee.

IFRS

International Financial Reporting Standards, the accounting standard according to which RRECs are required to report pursuant to Article 28 of the RREC Act.

IFRS NAV per share

Net Asset Value per share according to IFRS. This value corresponds to the net value per share within the meaning of Article 2, 23° of the RREC Act.

ING Belgium NV

The public limited company incorporated under Belgian law ING Belgium, having its registered office at Marnixlaan 24, 1000 Brussels, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0403.200.393 (Brussels Legal Persons' Register, Registry of the Brussels French-speaking Commercial Court).

Investment value or Gross Market value or Value Deed-in-Hand

This value is equal to the amount at which a property could change hands between well informed parties, agreeing and acting under normal competition circumstances. The market value is inclusive of any registration fees and notary's fees or VAT (in case of a purchase subject to VAT).

Jufra BVBA

The private limited company Jufra BVBA, having its registered office at Klei 172, 1745 Opwijk, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0885.824.190 (Brussels Legal Persons' Register, Registry of the Brussels Dutch-speaking Commercial Court).

Liquidity Provider

KBC Securities NV, having its registered office at Havenlaan 2, 1080 Brussel, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0437.060.521 (Brussels Legal Persons' Register, Registry of the Brussels Dutch-speaking Commercial Court).

Market value

The market value is 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.

Net Market Value or Value Cost-to-Buyer.

The investment value minus the registration fees and notary's fees or VAT.

Occupancy rate

The proportion of Contractual Rent on an annual basis, with regard to the Contractual Rentals on an annual basis plus the Estimated Rent of vacant premises on an annual basis.

Pay-out ratio

The proportion of the gross dividend per share divided by the EPRA earnings per share.

Perimeter Company

The company in which the RREC directly or indirectly holds more than 25% of the shares (including its subsidiaries as defined in Article 6, 2°, of the Companies Code).

Promoter

The person or persons who exclusively or jointly control an RREC within the meaning of Article 2, 13° of the RREC Act; de Promoter van Qrf City Retail is Quares REIM Retail NV.

Property expert

Cushman & Wakefield.

Property Manager

Quares Property Management NV.

PwC

The partnership which has adopted the form of a cooperative company PriceWaterhouseCoopers Bedrijfsrevisoren BV o.v.v.e. CVBA, having its registered office at Woluwedal 18, 1932 Sint-Stevens-Woluwe, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0429.501.944 (Brussels Legal Persons' Register, Registry of the Brussels Dutch-speaking Commercial Court).

Qrf or Qrf City Retail or the Company

The limited equity partnership incorporated under Belgian law Qrf, a public Regulated Real Estate Company under Belgian law, having its registered office at Museumstraat 11/211, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0537.979.024 (Antwerp Legal Persons' Register, Antwerp section).

Qrf Management NV

The public limited company incorporated under Belgian Qrf Management NV, having its registered office at Leopold de Waelplaats 8/1, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0537.925.079 (Antwerp Legal Persons' Register, Antwerp section).

Qrf Nederland BV

The private limited company incorporated under Dutch law Qrf Nederland BV, having its registered office at Emmalaan 25, 1075 AT Amsterdam, registered in the Chamber of Commerce with number 68633181.

Quares Holding CVBA

The limited cooperative partnership Quares Holding CVBA, having its registered office at Leopold de Waelplaats 8, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0881.077.526 (Antwerp Legal Persons' Register, Antwerp section).

Quares Property Management NV

The public limited company incorporated under Belgian law Quares Property Management NV, having its registered office at Schaliënhoevedreef 20 J, 2800 Mechelen, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0466.781.717 (Antwerp Legal Persons' Register, Mechelen section).

Quares REIM NV

Quares Real Estate Investment Management NV, having its registered office at Leopold De Waelplaats 8, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0872.236.569 (Antwerp Legal Persons' Register, Antwerp section).

Quares REIM Retail NV

The public limited company incorporated under Belgian law Quares Real Estate Investment Management Retail NV, abbreviated as Quares REIM Retail, having its registered office at Leopold de Waelplaats 8, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0880.915.101 (Antwerp Legal Persons' Register, Antwerp section).

Quares Residential Agency NV

The public limited company incorporated under Belgian law Quares Residential Agency NV, having its registered office at Leopold de Waelplaats 8, 2000 Antwerp, registered in the Kruispuntbank van Ondernemingen [Central Business Register] under company number VAT BE 0864.379.371 (Antwerp Legal Persons' Register, Antwerp section).

Rental income

The arithmetic sum of the rental income, after rent reductions, effectively or contractually invoiced by Qrf City Retail, over the period of (a part of) a financial year.

Risk Manager

Mr Preben Bruggeman, also the CFO of City Retail.

RREC

Regulated Real Estate Company, a company set up for a specified period, which carries out exclusively an activity consisting of providing properties to users, directly or through a company in which it has a shareholding interest, or where appropriate, owns property, licensed as such by the FSMA and regulated by the RREC Act and the RREC RD.

RREC Act

The Regulated Real Estate Company Act of 12 May 2014.

RREC RD

The Royal Decree of 13 July 2014 on regulated real estate companies.

Shares

The shares, dematerialized or registered, without par value, with voting rights, which represent the capital, issued by Qrf City Retail.

Statutory Manager

Qrf Management NV.

Transfer charges

The transfer of ownership of a property is in theory subject to the collection, by the State, of transfer charges, which constitute the largest part of the transaction costs. The amount of these fees depends on the method of transfer, the capacity of the buyer and the geographic location of the property.



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