

Ternat, 5 SEPTEMBER 2014
Regulated information

RETAIL ESTATES



Naamloze Vennootschap (public limited company)
public fixed-capital real estate investment fund organised and existing under the Belgian laws,
with registered office at Industrielaan 6, 1740 Ternat (Belgium),
Brussels Register of Legal Entities: 0434.797.847

‘the art of creating value in retail estate’

PROPOSAL TO CHANGE THE STATUS IN PUBLIC REGULATED REAL ESTATE COMPANY

Following the publication of the Act of 12 May 2014 on regulated real estate companies and the Royal Decree of 13 July 2014 on regulated real estate companies, Retail Estates, a public limited liability company (“naamloze vennootschap”/“société anonyme”), having the status of a public real estate investment company (“vastgoedbevak”/“sicafi”), listed on Euronext Brussels, proposes to change its status in order to adopt the status of a public regulated real estate company (“public RREC”).

In essence, for the Company, it is about positioning itself as a REIT (Real Estate Investment Trust) in order to improve its visibility and its understanding by international investors and to avoid being considered as an “alternative investment fund”, a qualification that will, going forward, be attached to real estate investment companies, which would imply respecting the economic model of an alternative investment fund, governed by the law of 19 April 2014 on alternative investment funds and their managers, transposing the AIFMD directive (Directive 2011/61/EU on alternative investment fund managers).

For that reason, the Company has convened an extraordinary general meeting for 6 October 2014 with, on the agenda, the amendment of the articles of association of the Company in view of the proposed change of status (subject to certain conditions precedent, including the condition that the percentage of shares for which the exit right is exercised does not exceed the percentage set out below).



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In the event the required quorum (50%) is not reached at this meeting, a second extraordinary general meeting will be convened on 24 October 2014, which will validly decide on the same agenda, regardless of the number of shares present or represented.

In the event where the extraordinary general meeting of the public real estate investment company approves the proposed amendments of the articles with an 80% majority, all shareholders having voted against this proposal will, within the strict limits of article 77 of the RREC Act, be able to exercise an exit right, at the highest price of (a) EUR 61.51, i.e., the closing price of 4 September 2014 (corresponding to the last closing price before the publication of this press release) and (b) the average of the closing prices of the thirty calendar days preceding the date of the general meeting that will approve the amendments to the articles of association.

This right can only be exercised by a shareholder for a number of shares representing a maximum of EUR 100,000, taking into account the price at which the exit right will be exercised and to the extent that concerns shares with which the shareholder would have voted against this proposal and of which he would have remained the owner in an uninterrupted manner since the 30th day preceding the general meeting (as the case may be, where the attendance quorum was not reached) which had the amendments to the articles of association on its agenda (i.e. since 6 September 2014) until the end of the general meeting approving these amendments to the articles of association.

However, the shareholders should take note of the fact that, if the percentage of shares for which the exit right is exercised would exceed the lower of the following percentages:

- 6.5% of the shares issued by the Company;
- X% of the shares issued by the Company, where "X" is calculated as follows:

$$\text{EUR } 25,000,000^1 \times 100$$

$$\text{price at which the exit right is exercised} \times 7,290,411^2$$

¹ Amount which can be legally distributed, and which the Company is willing to distribute.

² Total number of shares issued by the Company at the time of the general meeting approving the amendments to the articles.



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(and where the board of directors of the Company would not waive this condition), or where exercising the exit right would cause the Company or the third party that is substituted for it to purchase the shares, to be in breach of the provisions regarding the buy-back of own shares, the articles of association would not be amended; the Company would maintain its status as a public real estate investment company and would be required to apply for its approval as an alternative investment fund manager; the exit right would expire (the shareholders would keep their shares and would not be entitled to receive payment of the exit price).

In the event where less than 80% vote in favour of the proposed amendments to the articles of association, the Company will also keep its status as a public real estate investment company and will need to apply for its approval as alternative investment fund manager, it not being possible for the exit right to be exercised in that case.

The reasons, conditions and consequences of the proposed amendments to the articles of association, as well as the procedure to exercise the exit right, are set out in an Information Document that is available on the website of the Company

ABOUT RETAIL ESTATES NV

Retail Estates nv is a real estate investment company with fixed capital and more specifically a niche investment company that invests directly in out-of-town retail properties which are located on the periphery of residential areas or along main access roads into urban centres. Retail Estates nv buys these properties from third parties or builds and markets retail buildings for its own account. The buildings have useful areas ranging between 500 m² and 3,000 m². A typical retail building has an average area of 1,000 m².

At 31 March 2014, Retail Estates nv has 548 properties in its portfolio with a lettable surface of 570,870 m². The occupancy rate of these buildings, expressed in leased m², amounts to 98.17 %.

The fair value of the consolidated real estate portfolio of Retail Estates nv at 31 March 2014 is estimated by independent real estate experts at EUR 750.30 million (including assets held for sale).

Retail Estates nv is listed on Euronext Brussels and is registered as a real estate investment company with fixed capital. On 31 March 2014, the stock market capitalisation of its shares amounts to EUR 429.55 million.



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Ternat, 5 September 2014,

Jan De Nys, managing director of Retail Estates nv.

For more information, please contact:

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RETAIL ESTATES NV, Paul Borghgraef - Chairman, tel. 02/568 10 20 - 0475/42 98 03

Retail Estates nv – Public fixed-capital real estate investment fund governed by Belgian law -
Industrielaan 6, 1740 Ternat - RPR Brussels - VAT BE 0434.797.847.

This press release does not constitute a recommendation with respect to any offer whatsoever. This press release and any other information that is made available in the context of the exit right do not constitute an offer to buy or a solicitation to sell shares in the Company. The distribution of this press release and any other information which are made available in the context of the exit right can be subject to legal restrictions and any person that has access to this press release and such other information will need to find out about, and comply with, any such restrictions.

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