



**Press Release**  
**Regulated Information**

**VGP successfully completes the fourth closing with the VGP European Logistics Joint Venture**

**2 May 2018 – 7.00 a.m. CET, Diegem (Belgium):** VGP NV ('VGP' or 'the Company'), today announced that on 30 April 2018, it has successfully completed a fourth closing with VGP European Logistics, its 50/50 joint venture with Allianz Real Estate, with the acquisition of 6 new parks from VGP, comprising of 13 logistic buildings and another 5 newly completed logistic buildings which were developed in parks previously transferred to the Joint Venture.

The 6 parks are located in Germany (3) and in the Czech Republic (3). The additional 5 buildings which are being acquired by the Joint Venture are located in Germany (3 buildings), in the Czech Republic (1 building) and in Hungary (1 building).

The transaction value is in excess of € 400 million, which includes some future development pipeline. The net proceeds from this transaction (including disposed cash) amounts to circa € 301 million.

The net proceeds have been applied to repay short term bank debt of circa € 73.0 million which was incurred in the run-up to the closing. The remaining proceeds will be applied towards the payment of the € 35.3 million dividend foreseen to occur on 16 May 2018 and the further expansion of the development pipeline i.e. acquisition of new development land and financing of existing projects under construction and new projects which will be started-up shortly.

Following the completion of this fourth closing the Joint Venture's property portfolio consist of 60 completed buildings representing 1,217,631 m<sup>2</sup> of lettable area, having currently an occupancy rate of 99.4%, and a gross asset value ("GAV") of € 1.1 billion. The total annualised committed leases of the Joint Venture have increased to € 62.7 million after this closing.

At the end of April 2018, the Joint Venture has € 985 million of committed bank facilities maturing in May 2026 which are draw for € 612 million. The bank debt is fully hedged and the weighted average cost of debt amounts to 2.08% per annum. The Loan to Value of the Joint Venture stands at 55.4%<sup>1</sup> after the fourth closing.

The increase in the Joint Venture portfolio should have a further positive impact on the fee income generated by the asset-, property-, and development management services rendered by VGP to the VGP European Logistics joint venture.

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<sup>1</sup> Calculated as the gross bank debt (€ 611,644,513) divided by the GAV (€ 1,103,318)



Following the closing the own property portfolio of VGP now consists of 7 completed buildings representing 288,659 m<sup>2</sup> of lettable area, with an 100% occupancy rate. Besides this, VGP is currently developing another 26 new buildings. The new buildings under construction represent a total future lettable area of 505,150 m<sup>2</sup>, which corresponds to an estimated future annualised rent income of € 23.3 million.

During the first quarter of 2018 VGP continued to perform solidly.

The continued strong demand for lettable space resulted in the signing of rental income of € 7.2 million. This brings the signed annualised committed leases to € 90.0 million<sup>2</sup> (compared to € 82.8 million at the end of December 2017), equivalent to 1.79 million m<sup>2</sup> (2017: 1.66 million m<sup>2</sup>) of lettable area.

A total of 9 projects were delivered representing 244,226 m<sup>2</sup> of lettable area, with, as mentioned above, an additional 26 projects under construction representing 505,150 m<sup>2</sup> of future lettable area. The land bank was also further expanded with the acquisition of 417,000 m<sup>2</sup> of new land plots having a development potential of circa 204,000 m<sup>2</sup> of future lettable area.

### **For more information**

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### **Profile**

VGP ([www.vgpparks.eu](http://www.vgpparks.eu)) constructs and develops high-end logistic real estate and ancillary offices for its own account and for the account of its VGP European Logistics joint venture (50:50 joint venture between Allianz Real Estate and VGP), which are subsequently rented out to reputable clients on long term lease contracts. VGP has an in-house team which manages all activities of the fully integrated business model: from identification and acquisition of land, to the conceptualisation and design of the project, the supervision of the construction works, contracts with potential tenants and the facility management.

VGP is quoted on Euronext Brussels and the Main Market of the Prague Stock Exchange.

<sup>2</sup> Including the Joint Venture at 100%.