



IMMOBEL

since 1863

ANNUAL REPORT 2019



A YEAR OF GREAT ÉLAN!

MESSAGE FROM THE EXECUTIVE CHAIRMAN

2019 was a year of growth, completely in line with our strategy of prioritising profitability and recurring revenue. Our financial figures have improved year-on-year since the merger in 2016. Between 2016 and 2019 our revenues increased by 40% from nearly EUR 300 million to EUR 419.5 million. We practically doubled our net profit, from EUR 52.5 million to EUR 102.4 million. This means that we have exceeded our objectives by a wide margin.

After a history stretching back more than 150 years, our company finds itself today in the middle of an exciting period of renewal. On the one hand, we are continuing to consolidate our solid position in mature markets through our unique expertise in the area of major urban project development. And on the other, we have ambitiously expanded our activities in other countries where we hold the position of a challenger: a completely different dynamic!

In our home market of Belgium, and especially in Brussels, we pushed ahead with various monumental urban projects, such as Lebeau (Zavel/Sablon), the Muntcentrum/Centre Monnaie, Brouck'R and Panorama (the final phase of the Rijks-administratief Centrum/Cité administrative de l'État): all initiatives that will have a significant impact on the dynamics of the centre of Brussels. We also began a major new project in the European quarter. In Luxembourg we realised Infinity, a mixed project in one of the most dynamic areas of the capital.

EUR 2.66

dividend per share

Up to **1%**
of our benefits donated
to good causes¹

200
talented people

New markets, new energy

The new markets of France and Germany demand agility and strong teamwork. In Paris, a market that has great potential for us in the residential and office-building segments, we completed the acquisition of Nafilyan & Partners and we initiated promising office projects. Immoel Germany opened its doors and we laid the foundation stone of Eden, one of the highest residential towers in Frankfurt with a green façade.

But besides our geographical expansion of activities, we also want to capitalise on how the sector itself is evolving. The institutionalisation of real estate offers potential, and we have brought together a professional European team to ensure we tap into this market, both thoroughly and structurally.

Thanks to our numerous domestic and international roadshows, our company has become better known among a wider institutional investment community, and international banking analysts are watching us more closely. Recent analyses also show that the market has confidence in consistent, long-term value creation.

Our share continued its steady growth: at the end of 2019 our market value had grown to more than EUR 650 million. Thanks to our continued good results, we are able to offer our shareholders a dividend of EUR 2.66 per share. Moreover, market confidence was rewarded with a BEL Mid index listing, and with significant public interest in a bond loan, with which we accrued EUR 75 million.

2020: focus on acquisition

The solid position and results we booked in 2019 also provide a welcome resource for the coming years, during which a key focus will be on acquisition. We will do this with a view to expanding our current portfolio of ongoing projects, which represented a GDV² of EUR 4.5 billion at the end of 2019. 2020 will be a pivotal year for obtaining the requested permits for numerous ongoing projects.

Through our growth and international expansion, we have also seen that we can optimise certain ways of working to help us operate more efficiently and uniformly. Processes are being streamlined to bolster long-term

MARNIX GALLE, EXECUTIVE CHAIRMAN



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and risk-proof policy. At Group level, we brought in solid professionals to strengthen our executive committee. Thanks to the daily commitment and drive of our 200 people, who are dedicated to delivering optimum quality and service, we are able to do what we do on our way to realising our future ambitions.

Quality in living and working

Of course, our business is defined by our customers: the people who use our buildings. City centres are becoming increasingly busy and more densely populated, and attract a diversity of people of different backgrounds and ages who want to enjoy a first-rate living and working environment. We inte-

grate a whole range of functions in our projects, including living, working, studying, shopping and leisure. To achieve this, we work together with an ecosystem of strong partners and with world-class architects, who keep abreast of the constantly changing social context and produce designs that are in line with their multifunctional use.

Together for a pleasant urban environment

Easily accessible offices, energy-friendly apartments and a comfortable living environment with light, air and space: these are what users want. We assess every project specifically to

see what we can do to ensure the optimum quality of life. We want to integrate better mobility initiatives systematically in all our urban projects, for example. At the same time, we will keep track of the technical and financial feasibility of applications, such as the optimisation of energy consumption, many of which are still in their infancy. Not only is there a significant social demand for a sustainable approach to our cities, but institutional investors and government bodies are also sensitive to these issues. Thanks to the constructive cooperation with local authorities and the trust they have in us during the often protracted and intricate development processes, together we can build on ensuring a better, pleasant urban environment.

In addition to advancing sustainability, which is directly related to our projects, we also, in a broader context, make a contribution to society by donating up to 1%¹ of our profits to good causes in the fields of health, culture and social inclusion.

All in all, we can look back on a very productive 2019, during which we took significant steps for further growth. We will continue to work diligently with the same élan in everything we do, so that our stakeholders remain proud of this company.

Marnix Galle
Executive Chairman

1. On a five-year average
2. Gross Development Value

Our 2019 annual report is also available online:
<https://www.immobelgroup.com/annual-report-2019>



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