



IMMOBEL
since 1863

PRESS RELEASE

Regulated information

Brussels, 17 September 2019, 5:40 p.m.

IMMOBEL realizes a record net profit¹ of EUR 56.4 million in the first six months of 2019

IMMOBEL's revenues in the first half of 2019 increased by 44.1% to EUR 140.8 million while its EBITDA² and net profit (Group share) amounted to EUR 67.2 million and EUR 56.4 million respectively. This results in a net profit of EUR 6.43/share compared to EUR 1.71/share during the same period last year. This means that in the first six months alone it achieves a result equal to the annual result for the record year 2018.

The company's balance sheet, with equity of EUR 380.7 million and net debt of EUR 446.9 million as at the end of June 2019, remains strong with a gearing ratio of 54%.

IMMOBEL acquired in the first semester 91,600 m² of new projects in Belgium, Germany and France with an expected sales value³ of more than EUR 550 million, strengthening its portfolio in both residential and office segments. With expected sales value of its entire portfolio now standing at EUR 4.4 billion, the company is expected to continue to deliver strong recurrent results in the coming years, influenced by exceptional transactions, as is the case for 2019, which should become more frequent.

IMMOBEL acquired 100% of Nafilyan & Partners, its subsidiary for residential development in France after closing date.

As of 23 September IMMOBEL will be included in the BEL Mid index, the Mid-Cap stock Index of Euronext Brussels, reflecting the increased interest from investors in our company.

¹ Net result or profit refers to result for the year (Group share)

² EBITDA (Earnings Before Interest, Depreciation and Amortization) refers to the operating result before amortization, depreciation and impairment of assets (as included in Administration Costs)

³ Expected sales value is the total expected future turnover (Group Share) of all projects in portfolio



Exceptional financial results...

The table below provides the key consolidated figures for the first six months of the year (EUR million):

Results	30/06/2019	30/06/2018	Variance
Revenues	140.8	97.7	+ 44%
EBITDA	67.2	22.1	+ 204%
Net profit Group share	56.4	15.0	+ 276%
Net profit per share (EUR/share)	6.43	1.71	+ 276%

Balance sheet	30/06/2019	31/12/2018	Variance
Inventory ⁴	879.6	744.0	+ 18%
Equity	380.7	344.7	+ 10%
Net debt	446.9	344.9	+ 30%

Revenues in the first half-year were mainly driven by residential sales in Belgium and Luxembourg (EUR 68 million), landbanking (EUR 14 million) and the sale of an office building (Nova) in Luxembourg (EUR 51.4 million). The key contributors to the residential sales are O'Sea (EUR 13.6 million), Parc Seny (EUR 8.7 million) and Royal Louise (EUR 7.0 million) in Belgium and Infinity (EUR 16.2 million) in Luxembourg.

Growth in EBITDA and net result was mainly driven by operating revenues and the sale of 50% of Möbius II in Brussels.

Inventory increased by EUR 135.6 million following acquisitions of new projects in Germany, France and Belgium, increasing the expected sales value of IMMOBEL's portfolio by more than EUR 550 million up to EUR 4.4 billion.

The increase in **net debt of EUR 102 million** is mostly the result of new acquisitions completed in the first half-year, payment of the yearly dividend and reimbursement of a EUR 35.6 million bond. This results in a reduction in cash of EUR 47 million and an increase in gross debt of EUR 55 million.

... driven by strong performance of its portfolio and exceptional transactions

The development portfolio at the end of June 2019 included more than 1,000,000 m² (including Nafilyan & Partners) spread out over six countries (Belgium, Luxembourg, Poland, France, Spain and Germany) with an expected sales value of EUR 4.4 billion.

⁴ Inventory refers to Investment property, investments in joint ventures and associates, advances to joint ventures and associates, Inventories and Contract assets



BELGIUM

In Belgium, in addition to 10 residential projects already operational in 2018 and three operational projects acquired as part of the acquisition of Urban Living Belgium last year, IMMOBEL launched three new residential projects and realized a turnover of EUR 66.2 million. In April 2019, 50% of the shares of Möbius II were sold to Fidentia, a Belgian real estate investment fund manager.

Various major residential projects are currently being commercialized and are in the construction phase. The table below illustrates the sales performance of IMMOBEL's teams:

Project	m ²	% sold	Construction	Completion
Universalis Park	110,000 (Phase 1: 15,000)	98% (of phase 1)	started Q4 2015	Q4 2018
O'Sea	88,500 (Phase 1: 18,000)	84% (of phase 1)	started Q1 2017	Q3 2019
	(Phase 2: 24,000)	13% (of phase 2)	started Q2 2019	Q2 2022
Vaartkom	14,000	100%	started Q2 2018	Q4 2020
Ernest	50,000 (Phase 1: 23,800)	100% (of phase 1)	started in 2014	2016
	(Phase 2: 26,200)	89% (of phase 2)	started Q4 2017	Q2 2020
Lake Front	12,000 (Phase 1: 7,000)	100% (of phase 1)	started Q3 2014	Q3 2016
	(Phase 2: 5,000)	96% (of phase 2)	started Q2 2016	Q3 2018
Riverview	11,000	100%	started Q3 2015	Q4 2017
Parc Seny	13,200	87%	started Q4 2017	Q1 2020
Royal Louise	8,000	96%	started Q1 2018	Q4 2020
Greenhill Park	6,000	84%	started Q3 2017	Q4 2019
't Zout	4,700	89%	started Q4 2017	Q4 2019
Tunnelplaats	26,000	40%	started Q3 2018	Q4 2019
Jambes	28,400 (Phase I: 10,000)	49%	started Q2 2017	Q4 2019
Bree	30,000	19%	started Q2 2019	Q4 2025
Kattendijkdok	5,400	91%	started Q2 2015	Q2 2018
Erpent	17,000	24%	started Q3 2018	Q2 2021
Wavre	8,800	28%	started Q1 2019	Q4 2023

Landbanking (370 hectares) sold 107 plots.

The following office projects are under construction: Möbius I (28,000 m², 100% sold) and Möbius II (32,000 m²) in Brussels CBD and Cala (20,000 m²) in Liège.



Permit applications have been submitted for various projects in or nearby Brussels such as Universalis Park (57,000 m²), De Brouckère (43,800 m²), Îlot Saint-Roch (26,000 m²), Lebeau (41,000 m²), Panorama (RAC 4) (57,000 m²), Commerce 46 (13,800 m²) and Key West (61,000 m²).

IMMOBEL acquired Centre Monnaie (62,000 m²) in Brussels, the current headquarters of Bpost and the City of Brussels administrative services, together with Whitewood, a property and asset manager, and DW Partners, a US-based private equity group. It increased its stake in the Key West project (62,000 m²) in Anderlecht to 50%.

LUXEMBOURG

In Luxembourg, IMMOBEL realized a turnover of EUR 67.9 million in the first half of 2019 following the sale of the Nova office building and the ongoing commercialization of residential projects under development.

The table below indicates various major residential projects that are currently pre-sold:

Project	m ²	% sold	Construction	Completion
Livingstone	36,000	100% (of phase 1)	started Q3 2018	Q4 2020
		100% (of phase 2)	started Q4 2018	Q1 2021
Infinity	21,500	99% (Living)	started Q4 2017	Q2 2020
Fuussbann	8,100	100%	started Q1 2017	Q2 2019

Infinity Living project is fully sold out.

IMMOBEL Luxembourg sold 100% of its shares in Centre Étoile S.à.r.l, which owns the NOVA office building (formerly Centre Étoile) located on Place de l'Étoile in Luxembourg, to the French mutual insurance group Monceau Assurances. Furthermore, it will sell Infinity Working & Shopping (13,300 m²) by the end of 2019 upon delivery of the project to REAL I.S., a German real estate asset manager. The sale is expected to have a significant impact on the net result for the second half of 2019.

The Polvermillen project (26,600 m²) is in permitting application stage.

POLAND

In Poland, IMMOBEL finished construction works on the first phase of Granary Island, which is 92.6% pre-sold. Provisional acceptance of the apartments has started. A building permit application has been submitted for the subsequent phases of Granary Island (41,700 m²).

IMMOBEL Poland continued construction on Central Point, an office project and a Warsaw flagship. It will ultimately provide 19,000 m² of floor space, including 18,000 m² of office space and 1,100 m² of commercial space. WeWork, a global provider of flexible and modern office spaces, is continuing its expansion across Poland and has secured 5,500 m² through leasing in Central Point.



FRANCE

In France, IMMOBEL acquired 100% of Nafilyan & Partners, its subsidiary for residential development. Initially contemplated in 2017 as a gradual acquisition over a 3-year period, IMMOBEL decided to accelerate the acquisition by increasing in 2019 its stake from its 50%-milestone to 100%, ahead of schedule. It allows IMMOBEL to take control over the management of the company as the business performance has been lagging behind the initially foreseen business plan in December 2017. The transaction price amounted to about 40% of the contractually capped price of EUR 130 million, in line with a lower level of activities and lower profitability.

Turnover of Nafilyan & Partners amounted to EUR 40.9 million⁵ for the first six months of 2019, with 25 projects under commercialization and/or construction.

IMMOBEL France acquired its first office project, Saint-Antoine (5,000 m²), located in the iconic Le Marais area in Paris, and is currently in the process of purchasing a second project. IMMOBEL France holds an exclusive right to purchase for a third project.

GERMANY

In Germany, IMMOBEL acquired its first project (Eden) in Frankfurt's city centre, located between the central business district, the station and the exhibition centre. The project already holds a permit and construction is expected to start in the second half of 2019. Commercialization has been launched very successfully.

SPAIN

In Spain, IMMOBEL's leisure project (65,000 m²) at the Marbella seaside made significant progress with the conclusion of an agreement with "Four Seasons" Hotel group and the general permitting procedure having reached the final stages.

For more information about the projects, please [click here](#).

HUMAN RESOURCES AND COMPLIANCE

IMMOBEL has fine-tuned its governance and human resources management trajectory to adapt to the next stages in its growth path. In doing so, it has been able to attract top international talent. As a result, several persons have been hired.

Fabien Acerbis has joined IMMOBEL as General Director of IMMOBEL France and thus of Nafilyan & Partners. Fabien Acerbis leaves Bouygues Immobilier where he served as General Director of all residential developments for the full Parisian Area (Île-de-France).

IMMOBEL decided to appoint a CEO for its German business, who will take up his duties on 1 October.

⁵ Under IFRS. Turnover under French GAAP amounts to EUR 61.9 million in the first semester of 2019 compared to EUR 57.5 million in the first semester of 2018 (increase of 7.6%). We point out that figures included in our press release dated 02.07.2019 are also under French GAAP.



IMMOBEL is delighted with the arrival of its Parisian and German leadership, both people who were at the absolute top in their market. The proof that top European talent sees IMMOBEL as a high-quality brand to which they are willing to link their future.

Marnix Galle, Executive Chairman of the Board of Directors, has been combining since 1 July his duties as Executive Chairman with those of Group CEO. The outgoing CEO, Alexander Hodac, left the Group on 30 June.

The governance structure of IMMOBEL has been further strengthened in line with its internationalization strategy and the development of its internal checks & balances process as follows:

- Johan Bohets, former Chief Risk Officer and Executive Member of the Board of Directors of Dexia, joined the IMMOBEL team on 17 June as General Counsel.
- Filip Depaz, former COO and Member of the NN Insurance Belgium Board of Directors, joined the IMMOBEL team on 1 August as Chief Operating Officer.
- Alexis Prevot, Senior Portfolio Manager in the Real Estate & Infrastructure Department of the Abu Dhabi Investment Authority (ADIA), joined the IMMOBEL team on 1 September as Chief Investment Officer.
- The Investment Committee will be strengthened by a specialist external member, Thierry Vanden Hende, a former Managing Director of Morgan Stanley Real Estate Fund.

The Board of Directors of IMMOBEL has been saddened by the death of Mr. Manfred Loeb, Honorary Chairman of the Company. Mr Loeb passed away on September 14, 2019. With great dedication, he has played an active role in the development of the Company since January 29, 1990 until June 28, 2007. He was a highly appreciated Director and Chairman of the Board of Directors.

For further details:

Karel Breda*, Chief Financial Officer of IMMOBEL Group

+32 2 422 5 350

Karel.breda@immobelgroup.com

* as representative of KB Financial Services BVBA

About IMMOBEL Group:

IMMOBEL is the largest listed real estate developer in Belgium. Since it was founded in 1863, the Group has been developing and marketing innovative urban projects that listen to the needs of cities and their inhabitants. Thanks to its intelligent strategy and its 200 experts, IMMOBEL has managed to extend its expertise to the residential, office, commercial, urban development, housing estate and hospitality sectors, reaching a market capitalization of around €600 million, establishing it as a market leader. IMMOBEL is continuing its expansion across Europe with a portfolio of more than 1,000,000 m² in development in 6 countries (Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany) and carries out its social responsibility by donating part of its profits to supporting charitable projects in the areas of Health, Culture and Social Inclusion. The Group is implementing a sustainable vision of urban development and is working to become a company conscious about its CO₂ impact.

For more information, please visit www.immobelgroup.com