

# IMMOBEL

## 2016 ANNUAL RESULTS

Analysts Meeting - March 24th, 2017 - Brussels

# AGENDA

1. EXECUTIVE SUMMARY

2. MAJOR EVENTS OF 2016

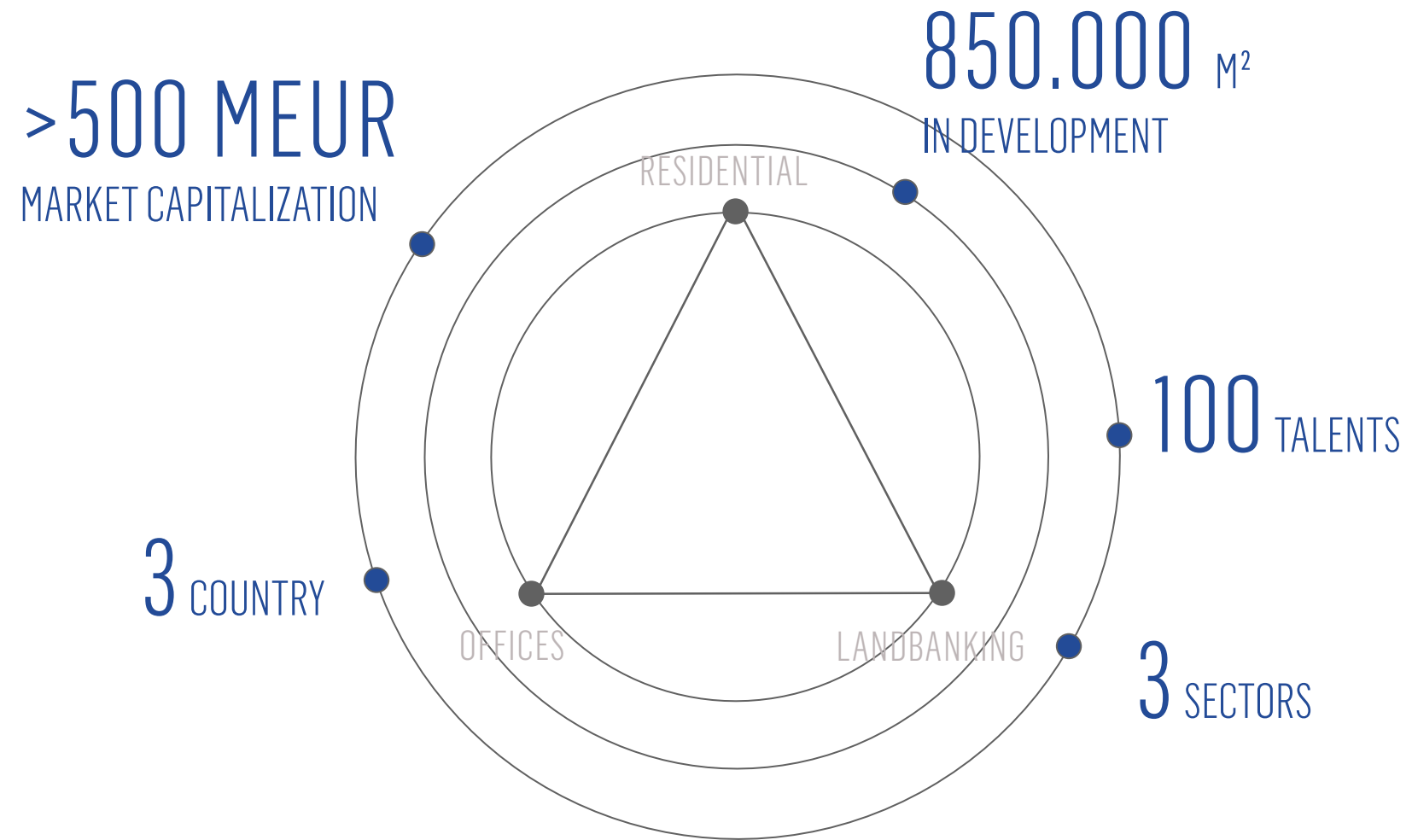
3. 2016 FINANCIAL STATEMENTS

4. MAJOR PROJECTS OF 2017

5. DIVIDEND POLICY

6. Q&A

# KEY FIGURES



# 1. EXECUTIVE SUMMARY

THE CONSOLIDATED NET RESULT AMOUNTS TO +52,5 MEUR

## MAJOR EVENTS

- Merger with Allfin
- Sale of Black Pearl
- Sale of RAC 2
- Delivery of Gateway
- Sale of Mobius Tower to Allianz & Purchase (under condition precedent) of Allianz HQ (De Brouckère)
- Purchase of the Bostoën Portfolio (Landbanking)

PROPOSED DIVIDEND : 2 EUR/SHARE

# 2. MAJOR EVENTS OF 2016



# 2. MAJOR EVENTS OF 2016

## MERGER ALLFIN/IMMOBEL

### Company overview

Largest Belgian listed real estate developer with projected total assets of about EUR 750m

- Core segments:
- Residential
  - Office
  - Landbanking
  - Retail

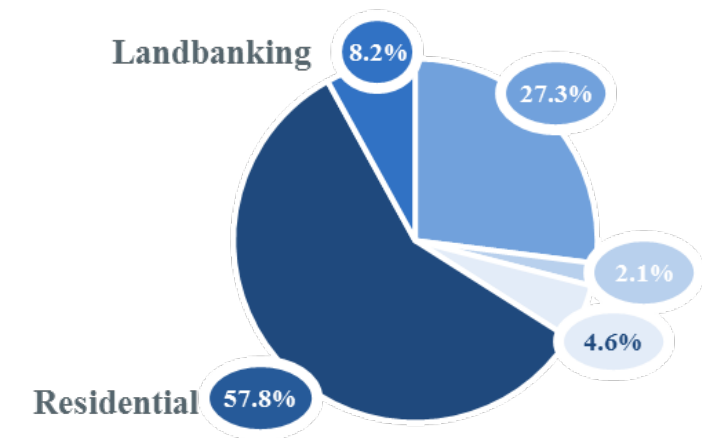
- Key geographies
- Belgium
  - Luxembourg
  - Poland

c. 100 total staff

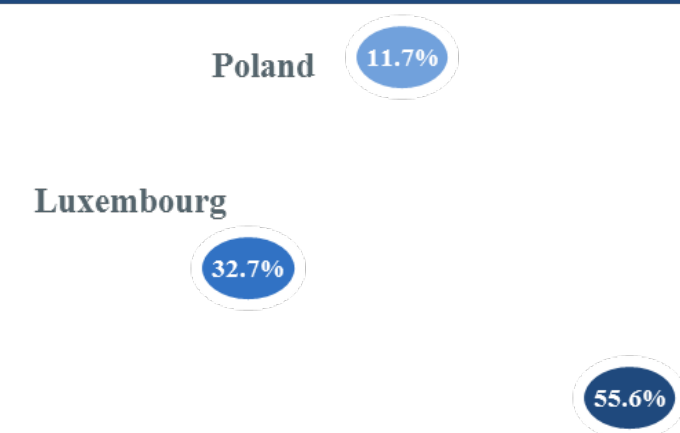
### Consolidated December 31<sup>st</sup>, 2016 figures (IFRS)

Reported Net Financial Debt	€ 259 m
NAV	€ 315.0m
Project pipeline	850,000 m <sup>2</sup>
Total shares outstanding	9,997,225

### Business segmentation



### Geographical breakdown



Note: Geographical and business segmentation based on accumulated Expected Gross Margin over the period 2016-2019



## 2. MAJOR EVENTS OF 2016

### SALE OF BLACK PEARL

- Usufruct contract (15 years) signed with the EU
- Buyer : REAL IS
- Sale Price : +/- 56 MEUR (asset value)





## 2. MAJOR EVENTS OF 2016

### SALE OF C DE LIGNE (RAC 2)

- Lease contract (18 years) signed with Brussels Region
- Buyer : REAL IS
- Sale Price : +/- 59 MEUR (asset value)





## 2. MAJOR EVENTS OF 2016

### Delivery of Gateway

- Delivery of the building to Deloitte
- Definitive transfer to Befimmo





## 2. MAJOR EVENTS OF 2016

Acquisition (under conditions precedent) of Allianz HQ (De Brouckère) and sale of Mobius tower to Allianz  
Delivery of Gateway

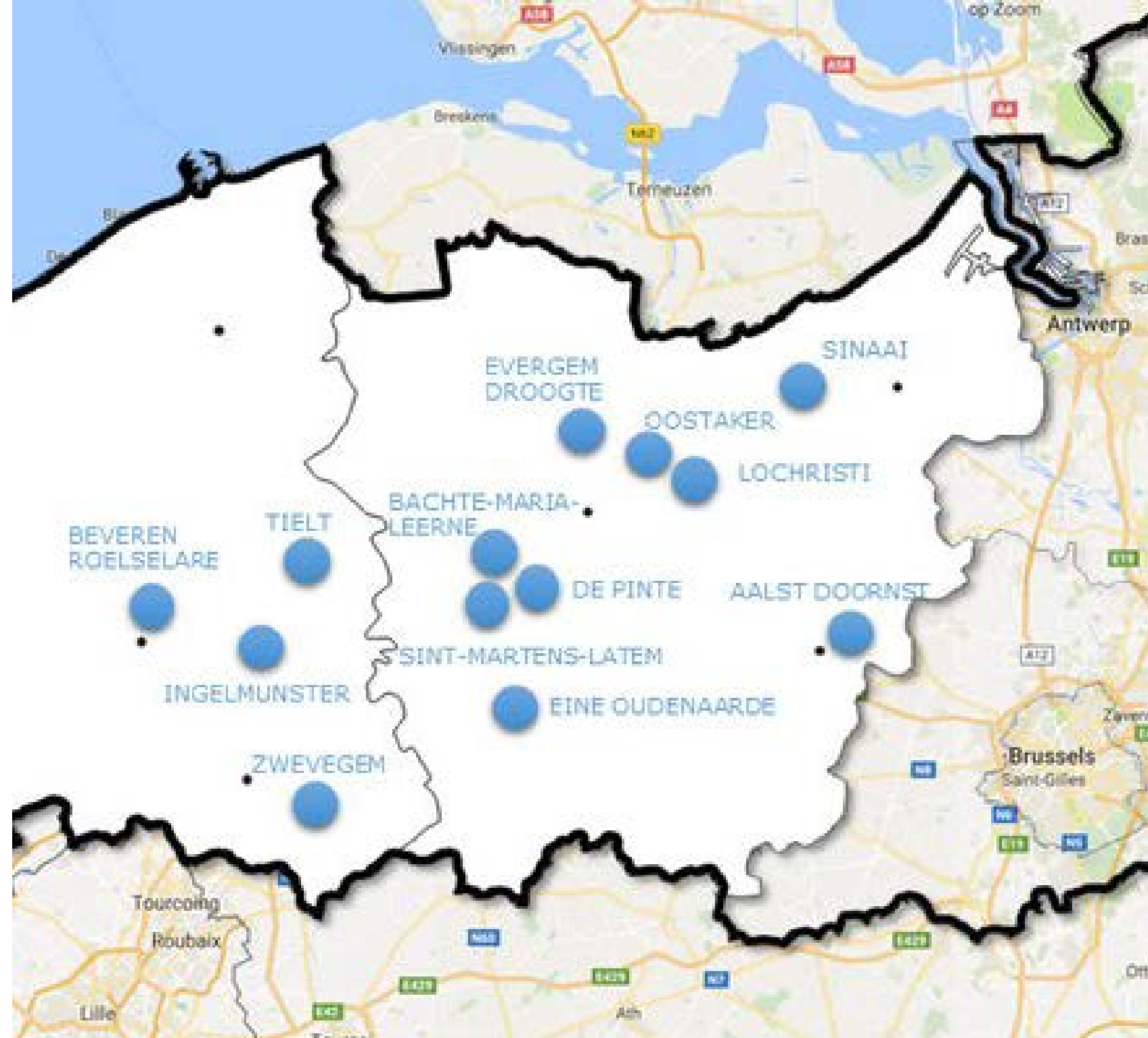
- Sale Price Mobius Tower : +/- 85 MEUR
- De Brouckère : +/- 55.000 m<sup>2</sup> to (re)develop



## 2. MAJOR EVENTS OF 2016

### Acquisition of a landbanking portfolio

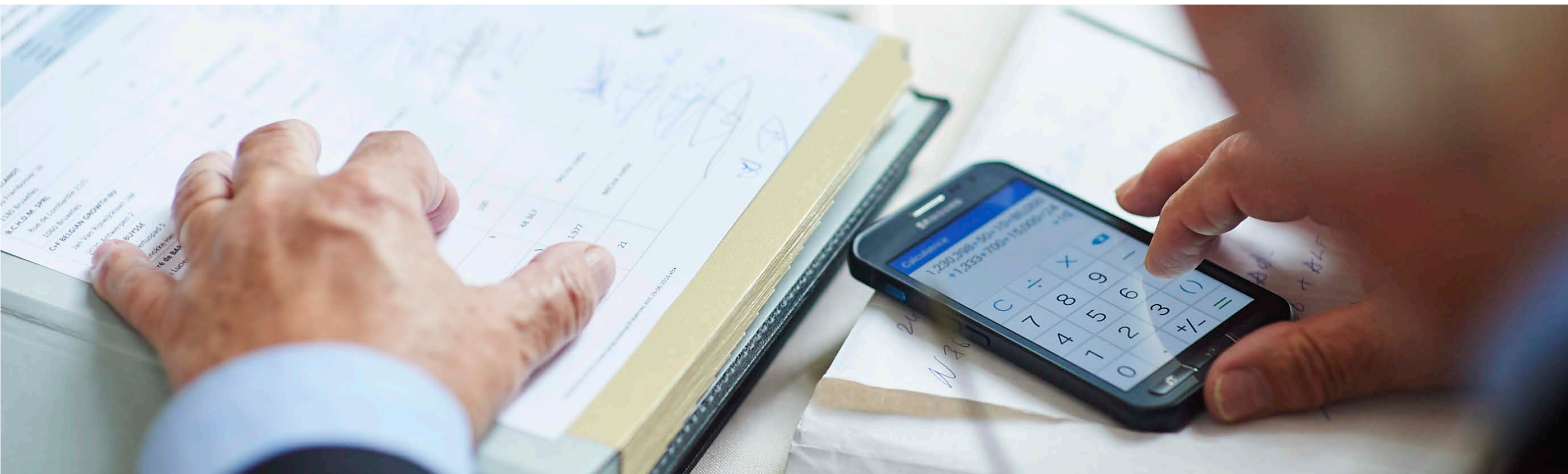
- Seller : Bostoën
- 40 ha
- Purchase Price : +/- 20 MEUR





# 3. 2016 FINANCIAL STATEMENTS

## – PROFIT & LOSS



### 3. 2016 FINANCIAL STATEMENTS – PROFIT & LOSS

PPA (revaluation on 29 June 2016 of immobel projects directly in equity)

Net impact of one-offs linked to the merger : 14,9 MEUR

Residential margins mainly coming from :

- Lake front : 7,9 MEUR
- Chambon : 6,5 MEUR
- Flint: 5,1 MEUR
- Vesalius : 3,5 MEUR
- Ernest (phase 1) : 2,9 MEUR

	ACTUALS DECEMBER		
	ACT 31/12/2016 before PPA	PPA	ACT 31/12/2016 after PPA
Offices (details page 2)	33.576	-13.627	19.949
Residential (details page 3)	30.092	604	30.696
Land Development	7.951	-167	7.784
<b>TOTAL GROSS MARGIN</b>	<b>71.619</b>	<b>-13.190</b>	<b>58.429</b>
Gaudi	-3.170		-3.170
Fees fusion => Capital	200		200
Step shares IMMOBEL	2.832		2.832
Badwill merger	14.940		14.940
Carve out	13.326		13.326
<b>TOTAL OTHER REVENUES - COSTS</b>	<b>28.128</b>		<b>28.128</b>

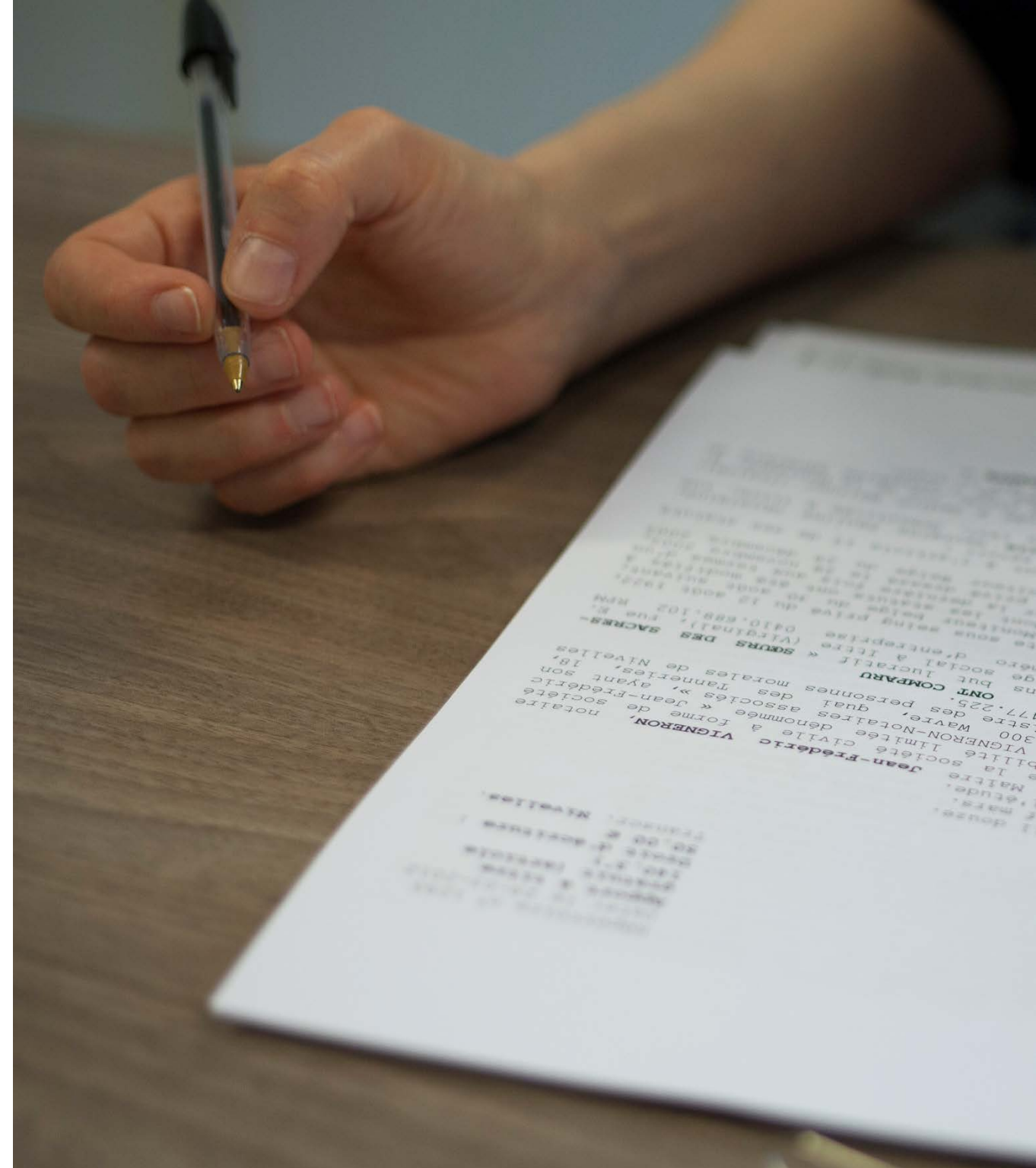
### 3. 2016 FINANCIAL STATEMENTS – PROFIT & LOSS

Payroll and G&A in line with our budget (reminder : 6 first months of Immobel before merger are directly recorded in equity)

Financial charges amount to 6,7 MEUR

- - 14,1 MEUR of costs of debts
- + 7,4 MEUR of activated financial charges on projects

Average cost of debt 2016 : 4,65% but should decrease as 2011-2016 bond (7% - 40 MEUR) has been repaid





## 3. 2016 FINANCIAL STATEMENTS - BALANCE SHEET

(IN THOUSANDS OF EUR)					
ASSETS	Notes	31-12-2016	31-12-2016	31-12-2015	31-12-2015
		Published	Internal	ALLFIN GROUP Published	IMMOBEL SA Published
<b>NON-CURRENT ASSETS</b>		<b>88.346</b>	<b>18.477</b>	<b>108.165</b>	<b>67.538</b>
Intangible assets	1	142	142	25	169
Property, plant and equipment	2	898	898	296	730
Investment property	3	2.874	2.874	2.715	2.829
Investments in joint ventures and associates	4	70.215	-36	66.122	63.373
Other non-current financial assets	5	3.730	3.730	28.328	-
Deferred tax assets	6	7.042	7.421	1.531	186
Other non-current assets	7	3.445	3.448	9.149	251

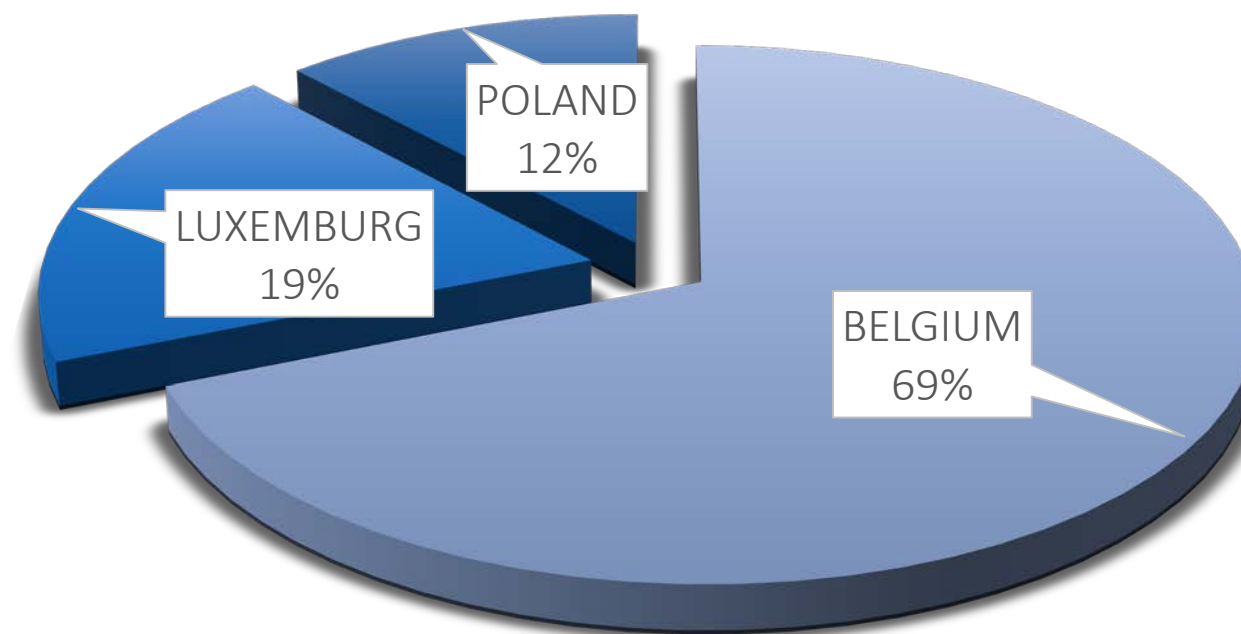
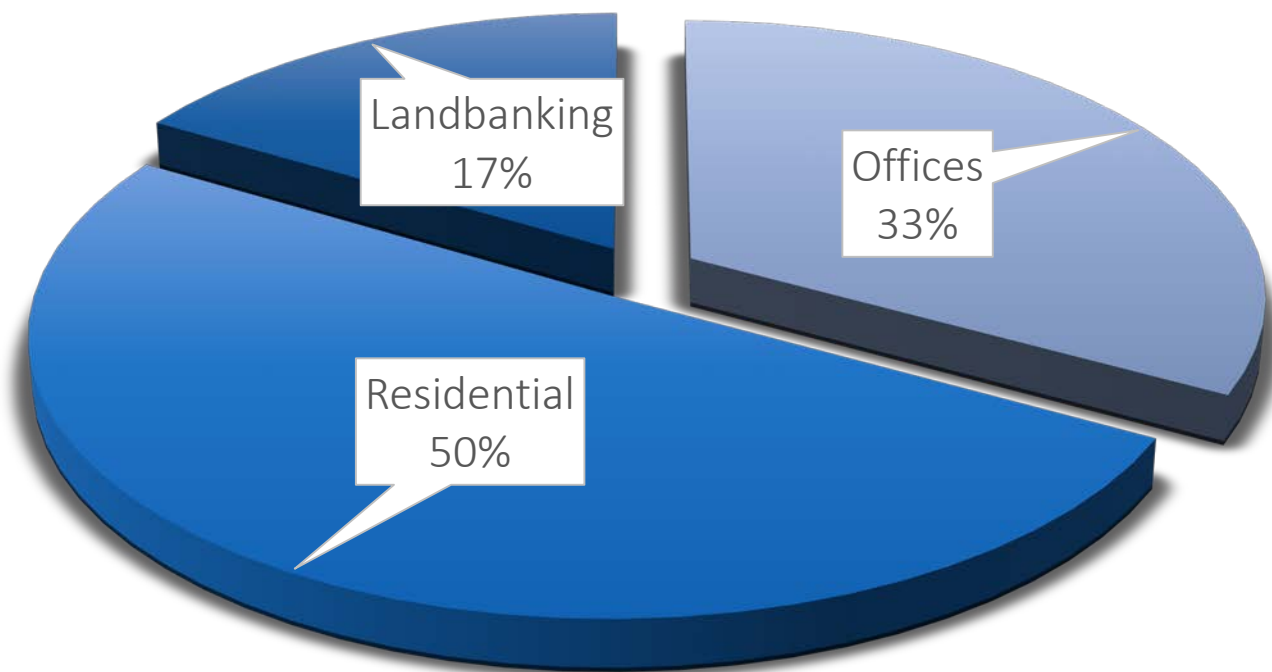
- ▶ Investments in JV and associates represent the net position (inventories, receivables, payables, project financing,...) in the projects in partnership (mainly Solvay, RAC, UP, Kons and Bella Vita)

## 3. 2016 FINANCIAL STATEMENTS - BALANCE SHEET

ASSETS	Notes	31-12-2016	31-12-2016	31-12-2015	31-12-2015
		Published	Internal	ALLFIN GROUP Published	IMMOBEL SA Published
<b>CURRENT ASSETS</b>		<b>627.886</b>	<b>767.915</b>	<b>283.186</b>	<b>379.607</b>
Inventories	8	443.115	584.001	175.414	334.541
Trade receivables	9	12.112	15.017	6.712	6.037
Tax receivables	10	837	837	332	178
Other current assets	11	50.112	38.133	8.311	21.899
Other current financial assets	12	1.072	1.072	5.730	
Cash and cash equivalents	13	120.638	128.855	86.687	16.952
<b>TOTAL ASSETS</b>		<b>716.232</b>	<b>786.392</b>	<b>391.351</b>	<b>447.145</b>

The increase of other current assets is explained by the recognition of receivables for the future rents on Lebeau and Centre Etoile (vs decrease of inventories)

### 3. 2016 FINANCIAL STATEMENTS - INVENTORIES (BEFORE IFRS11)





## 3. 2016 FINANCIAL STATEMENTS - BALANCE SHEET EQUITY

<b>EQUITY AND LIABILITIES</b>	<b>Notes</b>	<b>31-12-2016</b>	<b>31-12-2016</b>	<b>31-12-2015</b>	<b>31-12-2015</b>
		<b>Publié</b>	<b>Interne</b>	<b>AFFLIN GROUP Publié</b>	<b>IMMOBEL SA publié</b>
<b>TOTAL EQUITY</b>		<b>314.949</b>	<b>314.949</b>	<b>165.466</b>	<b>194.358</b>
<b>EQUITY SHARE OF IMMOBEL</b>	14	<b>311.032</b>	<b>311.032</b>	<b>156.347</b>	<b>194.375</b>
Share capital		97.189	97.189	60.302	60.302
Retained earnings		213.248	213.248	95.989	133.596
Reserves		595	595	56	477
<b>NON-CONTROLLING INTERESTS</b>	<b>14b</b>	<b>3.917</b>	<b>3.917</b>	<b>9.119</b>	<b>-17</b>

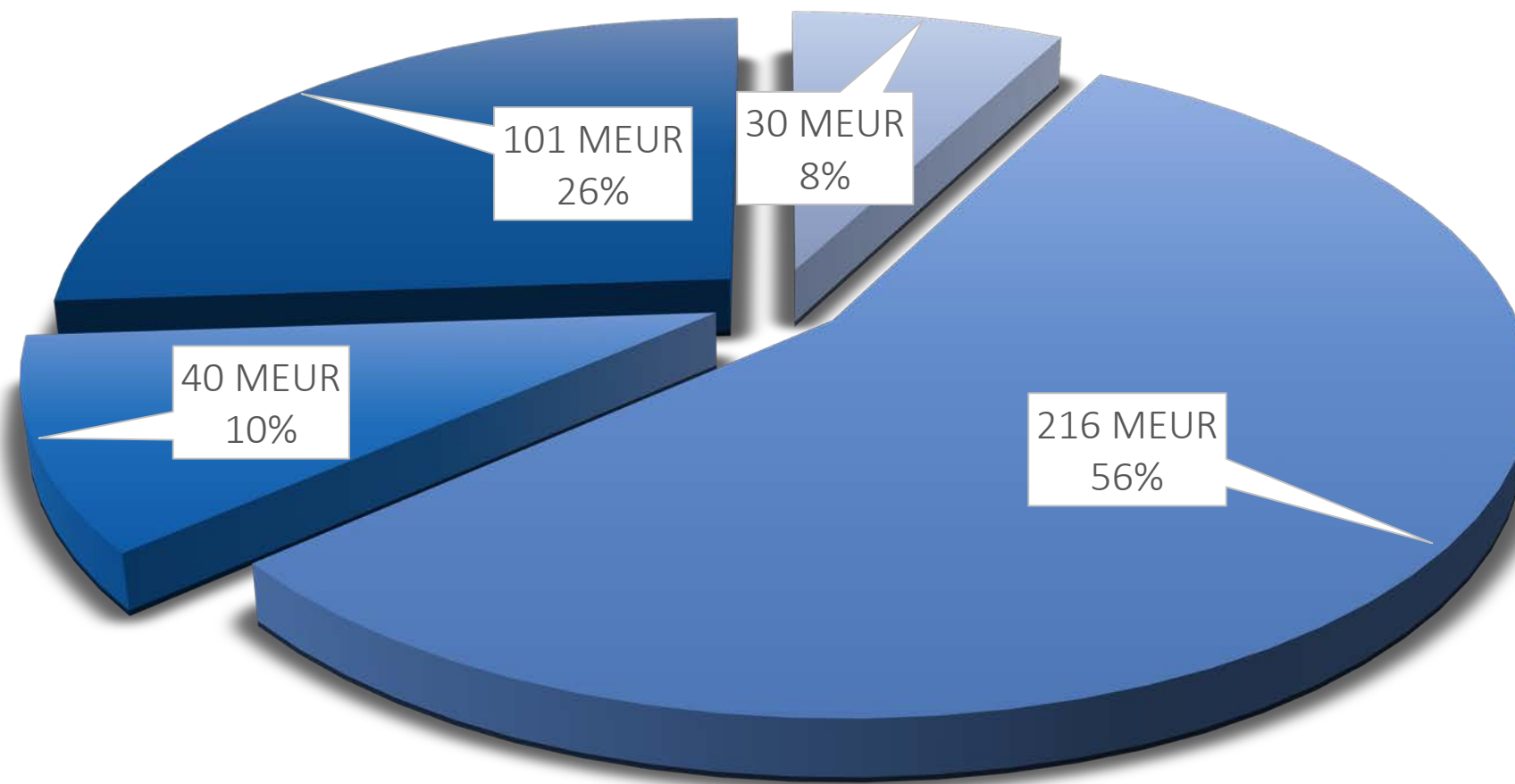
- ▶ Merged equity : 315 MEUR (If Treasury Shares would be sold at today market price, the equity would to 383 MEUR)
- ▶ ROE : 18% on the average equity 2016 (17% on Equity as of 31/12/2016 – 14,4% on the equity 1/1/2016 in 'going concern'/without one-off)

## 3. 2016 FINANCIAL STATEMENTS - BALANCE SHEET

EQUITY AND LIABILITIES	Notes	31-12-2016	31-12-2016	31-12-2015	31-12-2015
		Publié	Interne	AFFLIN GROUP Publié	IMMOBEL SA publié
<b>NON-CURRENT LIABILITIES</b>		<b>286.685</b>	<b>324.121</b>	<b>160.547</b>	<b>145.534</b>
Employee benefit obligations	15	102	102	-	264
Deferred tax liabilities	16	2.803	2.803	6.702	-
Provisions		-	-	52	4
Financial debts	17	281.578	319.014	152.191	143.757
Derivative financial instruments		1.699	1.699	1.570	-
Trade payables		503	503	-	1.509
Other non-current liabilities		-	-	32	-
<b>CURRENT LIABILITIES</b>		<b>114.598</b>	<b>147.322</b>	<b>65.338</b>	<b>107.253</b>
Provisions	19	1.780	1.783	-	3.728
Financial debts	18	40.532	68.356	26.560	62.267
Derivative financial instruments		90	90	88	140
Trade payables	20	33.763	41.710	14.319	18.894
Tax liabilities	21	11.934	13.925	6.149	163
Other current liabilities	22	26.499	21.458	18.222	22.061
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>716.232</b>	<b>786.392</b>	<b>391.351</b>	<b>447.145</b>

### 3. 2016 FINANCIAL STATEMENTS - BALANCE SHEET

Sources of financial debts

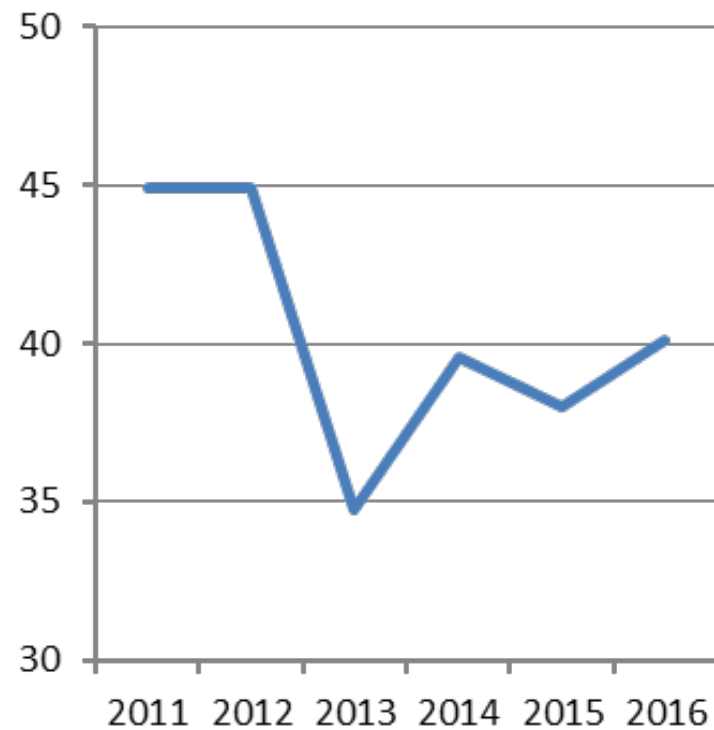


■ Corporate line of credit   ■ Project financing   ■ Landbanking financing   ■ Bond

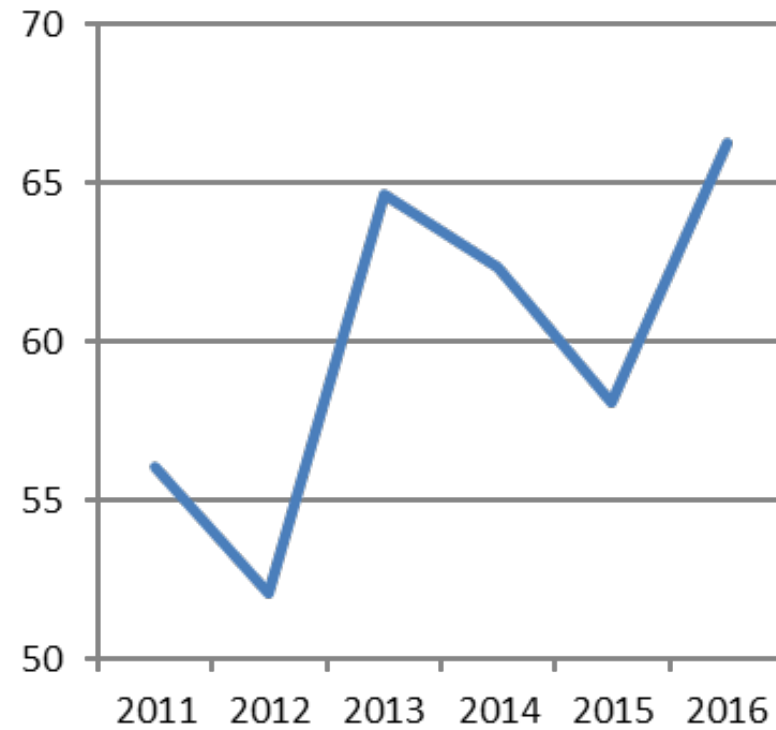


# 3. 2016 FINANCIAL STATEMENTS - BALANCE SHEET

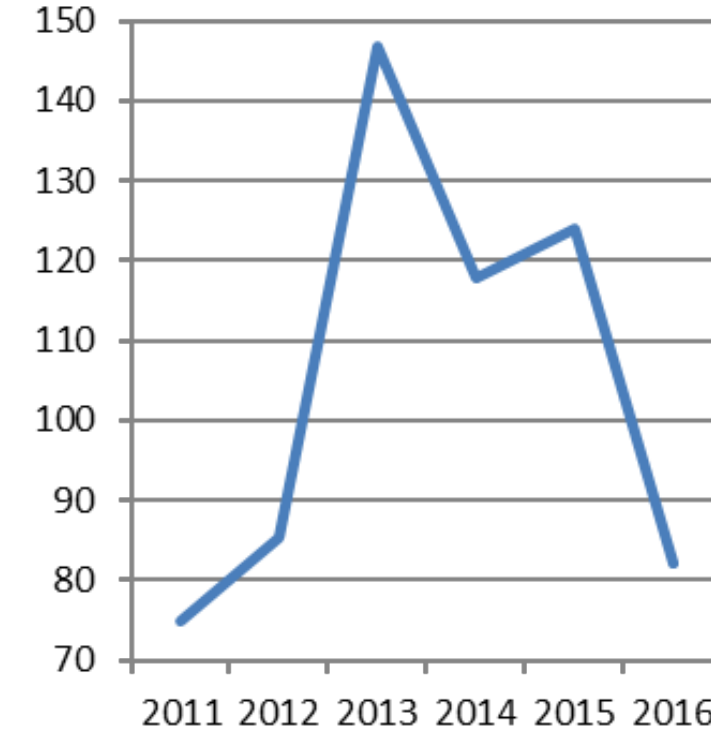
Equity/Assets : 40%



Loan to Cost : 66%



Net Financial debt / Equity : 82%



▶ Net Financial Debt / (Net Financial Debt + Equity) : 58%

# 4. MAJOR PROJECTS 2017

KONS

LAKE FRONT

UNIVERSALIS PARK

SOLVAY (Phase 2)

INFINITY

O'SEA

GREENHILL PARK





# UNIVERSALIS PARK

BRUSSELS  
110,000 m<sup>2</sup>

What happened in 2016 ?

Planning permission obtained to build a first phase of 140 units on LOT 3. Construction work of the first phase are ongoing from Q2-2016 The permit has been the subject of an action for annulment. Planning permission application filed to subdivide the LOT 2 in December 2015. Planning permission application filed to an urban planning permit for the central park of LOT 3. The draft of the PPAS initiated by the Commune of Ixelles should be approved in the coming months.





# UNIVERSALIS PARK

## Characteristics of the project

New major urban redevelopment around the ULB and the VUB university facilities, which will enable the development of up to 110,000 sqm on two different pieces of land having an aggregate land surface of 8ha50a.

ADDRESS	Boulevard du Triomphe, 1050 Brussels
ARCHITECTS	Art & Build
TECHNICAL DATA	Excellent thermal and acoustic insulation / Double flow ventilation / Gas heaters / Green roof / Recovery of rainwater / Use of recyclable materials
STATUS	Scheme being worked up
CONTRACTING AUTHORITY	Universalis Park SA
PROGRAM	±1,260 residential units Mostly residential (+/- 600 apartments), student housing (+/- 650 units), 2 nursing homes, retail (+/- 8 units) and eventually Offices
PARKING SPACES	N/A
GENERAL CONTRACTOR	N/A
ACQUISITION YEAR	2007
PERMITS OBTAINED	Planning permission: Yes (Phase 1) - Environmental permit: Yes (Phase 1)
START / END OF CONSTRUCTION	Q2 2016 / Q1 2023
OWNERSHIP STRUCTURE	50% ImmoBel

At 31/12/2016

# O'SEA

OOSTENDE

88,500 m<sup>2</sup>

What happened in 2016 ?

Phase 1 – 19,000 m<sup>2</sup> "O'sea Charme": permit obtained. The marketing began at the beginning of July 2016, after the permit was obtained.

Sales: (Aug 16: units sold = 18)





# O'SEA

## Characteristics of the project

The O'sea project is a residential complex situated in a strategic location in Ostend, on the Belgian coast. It is proceeding in 4 phases. This urban regeneration project, covering around 88,500 m<sup>2</sup>, is a sustainable and totally integrated project which creates a new reference district in the heart of the city thanks to the wide choice of lifestyles it offers (permanent residents, second homes, students, families and assisted living). This major complex will redesign an already trendy section of the seafront and will boost its attraction.

ADDRESS	Troonstraat (N34) between Elisabethlaan and Leopold van Tyghemlaan - 8400 Ostende
ARCHITECTS	Conix RDBM
TECHNICAL DATA	Phase 1 – O'sea Charme will start after permit procurement (Q3 2016) - Phase 2 / 3 / 4 : N/A
STATUS	Empereur Froissart
CONTRACTING AUTHORITY	Phase 1 - O'sea Charme: 10 houses - 18 small apartments – 50 assisted living dwellings - 33 larger apartments – 56 apartments (tower)
PROGRAM	88,500 m <sup>2</sup> of residential space in 4 phases (8 years). Phase 1 – 19,000 m <sup>2</sup> : 167 residential units - 3 retail outlets - 1 restaurant - 1 crèche
PARKING SPACES	Phase 1 - 176 underground parking
GENERAL CONTRACTOR	TBD
ACQUISITION YEAR	Q2 2015
PERMITS OBTAINED	Planning permission: Yes - Environmental permit: Yes
START / END OF CONSTRUCTION	Q1 2017/2019
OWNERSHIP STRUCTURE	100% IMMOBEL

At 31/12/2016



# ERNEST

BRUSSELS

50,000 m<sup>2</sup>

What happened in 2016 ?

Phase 1 – delivery ongoing. Residences for students and the elderly: 100% sold and fully delivered (2015).

Phase 1: Residential spaces: more than 90% sold and marketing still ongoing. Phase 2: dwellings part awaiting permit (favourable consultation in March 2016); hotel part under due diligence (subject to permit condition). Permit 2nd Phase obtained Q1 2017, hotel Q2 2017.



# ERNEST

## Characteristics of the project

The Ernest project is a unique, mixed-use complex situated in the heart of Brussels (former headquarters of SOLVAY), between Avenue Louise and the European Quarter. This urban regeneration project, covering nearly 50,000 m<sup>2</sup>, will fundamentally redesign this already very exclusive and trendy district and will increase its attractiveness.

ADDRESS	Chaussée d'Ixelles, Rue Keyenveld, Rue de l'Arbre Bénit, Rue du Prince Albert, Rue du Prince Royal – 1050 Brussels
ARCHITECTS	Jaspers –Eyers & Partners + A2RC Architects
TECHNICAL DATA	Valideo certificate for the senior housing
STATUS	Phase 1: delivery ongoing. Phase 2: dwellings part awaiting permit
CONTRACTING AUTHORITY	Les Deux Princes Development
PROGRAM	Phase 1: 110 apartments & penthouses - 95 student rooms ("The Place to") - 1 residence for the elderly (114 beds) Phase 2: 198 apartments & penthouses - 1 crèche - 1 hotel 50,000 m <sup>2</sup> comprising residential areas, a student residence, a nursing home, a crèche and a hotel
PARKING SPACES	353 underground parkings
GENERAL CONTRACTOR	Not yet defined
ACQUISITION YEAR	Q2 2012
PERMITS OBTAINED	Planning permission: Yes (Phase 2 procedure ongoing) - Environmental permit: Yes
START / END OF CONSTRUCTION	Phase 1. Partially completed (2014-2016). Full delivery ongoing. Phase 2. Q2 2017/Q4 2020
OWNERSHIP STRUCTURE	50% Immobel

At 31/12/2016



# GREENHILL PARK

BRUSSELS

6,000 m<sup>2</sup>

What happened in 2016 ?

Permit application procedure ongoing. The marketing will begin at the end of 2016, after obtaining the permit

Sales started in December.

4 units sold.



# GREENHILL PARK

## Characteristics of the project

The Greenhill Park project is a unique residential complex situated in one of the greenest and most exclusive municipalities in Brussels. It is easily accessible but still in a secluded, desirable district. This luxury project, covering nearly 6,000 m<sup>2</sup>, will offer apartments of impeccable style in an already exclusive and very trendy district.

ADDRESS	Avenue du Val d'Or, Rue Julien Vermeersch, Avenue de Tervueren 1150 Brussels
ARCHITECTS	ARCHI2000
TECHNICAL DATA	N/A
STATUS	Waiting for permit
CONTRACTING AUTHORITY	IMMOBEL SA
UNITS	31 apartments or penthouses
PROGRAM	6,000 m <sup>2</sup> of residential space
PARKING SPACES	73 underground parkings
GENERAL CONTRACTOR	TBD
ACQUISITION YEAR	RvO – Droit de superficie
PERMITS OBTAINED	Permit application procedure ongoing
START / END OF CONSTRUCTION	After obtaining the permit. Q2 2017/Q2 2019.
OWNERSHIP STRUCTURE	100% IMMOBEL

At 31/12/2016



# LAKE FRONT

KNOKKE-HEIST

12,200 m<sup>2</sup>



## WHAT HAPPENED IN 2016?

Phase 1 – Start delivery in November 87% sold

Phase 2 – Start construction in May 2016 and already 72% sold.





# LAKE FRONT

## Characteristics of the project

The Lake Front project is a unique residential complex situated in Knokke, a stone's throw from the magnificent city centre and overlooking the Duinenwater lake. This project, covering 12,000 m<sup>2</sup>, offers some exclusive apartments facing the lake and a short distance from the new golf course, the swimming pool and the beach.

ADDRESS	Duinenwaterstraat 92-120 – 8300 Knokke-Heist
ARCHITECTS	Project Architects
TECHNICAL DATA	N/A
STATUS	Phase 1 & 2 - Under construction & commercialization
CONTRACTING AUTHORITY	Lake Front nv
PROGRAM	Phase 1: 70 apartments. Phase 2: 50 apartments. 12,000 m <sup>2</sup> of residential space
PARKING SPACES	70 (phase 1) – 50 (phase 2) underground parkings
GENERAL CONTRACTOR	Denys NV
ACQUISITION YEAR	Q4 2014
PERMITS OBTAINED	Planning permission: Yes
START / END OF CONSTRUCTION	Phase 1: Q3 2014/Q3 2016. Phase 2: Q2 2016/Q4 2019.
OWNERSHIP STRUCTURE	100% Immobel

At 31/12/2016

# GALERIE KONS

CITY OF LUXEMBOURG

22,700 m<sup>2</sup>

What happened in 2016 ?

The construction is on going,  
handing over foreseen for February 2017



# GALERIE KONS

## Characteristics of the project

Located right in the centre of Luxembourg City, opposite the station. IMMOBEL and its partners are contributing to the conversion and reconstruction of (old) offices into new, architecturally and environmentally high quality offices at the heart of the city centre, close to public transport and the major communication routes, while preserving the existing multipurpose nature of the complex.

ADDRESS	Place de la Gare 26, L-1616 Luxembourg
ARCHITECTS	M3 Architects
TECHNICAL DATA	Excellent thermal and acoustic insulation / Green roof / BREEAM "Very Good" on the office building, with reversible ceilings and triple glazing « Certificat de performance énergétique » (CPE) B-B-A class on the residential / Recovery of rainwater / Use of recyclable materials / Urban heating / Low energy lighting / Very high quality finishing / Triple glazing / Presence and absence detectors / Air conditioning system with cold beams / Hot ceiling
STATUS	Reception in progress
CONTRACTING AUTHORITY	Pef Kons Investments SA
PROGRAM	Galerie Kons is a mixed-use development of 22.788 sqm Its 16.367 sqm office space (including auditorium, restaurant) was entirely designed and built according to ING's specifications. 3.956 sqm retail 2.465 sqm residential
PARKING SPACES	235 underground
GENERAL CONTRACTOR	CLE - Besix - Lux TP
ACQUISITION YEAR	2013
PERMITS OBTAINED	Planning permission: Yes Environmental permit: Yes
START / END OF CONSTRUCTION	Q2 2014 / Q1 2017
OWNERSHIP STRUCTURE	33% IMMOBEL

At 31/12/2016



# INFINITY

CITY OF LUXEMBOURG

33,300 m<sup>2</sup>

What happened in 2016 ?

Control of the land (agreement with the FUAK - Fonds d'urbanisation du Kirchberg) through the signature of a "promesse synallagmatique de bail emphytéotique"

100% commitment on the retail

100% commitment on the office, fully reserved by Allen & Overy

Launch of commercialization of the living tower



# INFINITY

## Characteristics of the project

The INFINITY project is a unique mixed-use complex located at the entrance of the city of Luxembourg, at the junction with the “plateau du Kirchberg”. This mixed-use project will clearly redesign the skyline of the city with its residential tower (20.000 sqm), office tower (6.800 sqm) and retail center (6.500 sqm). This complex of 33.300 sqm is a sustainable and fully integrated project that will offer a new place-to-be in Luxembourg. Composed by high-end apartments, offices spaces and shops, INFINITY will increase the attractiveness of this already very trendy area, facing the Philharmonie and MUDAM (Art center).

ADDRESS	Avenue JF Kennedy, Rue du Fort Niedergrünwald L-2226 Luxembourg
ARCHITECTS	Arquitectonica architects, Miami M3 architectes, Luxembourg
TECHNICAL DATA	BREAM Excellent on the office building Green roof terraces, thermic panels and perfect thermic and acoustic isolation and urban cogeneration
STATUS	Works will start on Q1 2017
CONTRACTING AUTHORITY	INFINITY LIVING SA INFINITY WORKING & SHOPPING SA
PROGRAM	150 apartments, penthouses and studios 20.000 sqm residential 6.500 sqm shopping space (23 retail units) 6.800 sqm office space
PARKING SPACES	150 underground parkings
GENERAL CONTRACTOR	TBD
ACQUISITION YEAR	Q1 2016 (Signature of “promesse synallagmatique de bail emphytéotique”)
PERMITS OBTAINED	Digging permit Building permit application under process
START / END OF CONSTRUCTION	Q1 2017 / Q4 2019
OWNERSHIP STRUCTURE	100M Immobel

At 31/12/2016

## 5. DIVIDEND POLICY

- ▶ **Proposition to the Annual Shareholders Meeting:**
  - propose a gross dividend of 2 EUR per share in circulation (e.g. 17,5 MEUR)
  - a yearly increase between 4% and 10% in the future, except if major adverse events
  
- ▶ **Impact on the equity to assets ratio : decrease from 40% to 38,7%**