



IMMOBEL



# H1 2020 RESULTS

September 2020

# RESULTS IMPACTED BY COVID-19, RESILIENT BUSINESS MODEL



## Operational achievements H1 2020

- Strong impact of COVID-19 on new sales, progress on construction sites and ongoing permitting process; recovery of sales post-lockdown
- Contracted sales volume for EUR 292m driven by residential sales in all markets and the delivery of an office in Belgium (Möbius I – Allianz HQ)
- Signing of lease agreement with ING for major office project in Brussels
- Obtained new permits in H1 for EUR 230m in GDV
- Acquired for EUR 480m in GDV of new residential and office projects in core markets (Belgium, Luxembourg and France) increasing the GDV of the portfolio at the end of H1 2020 to EUR 4.8bn. Since end of June additional acquisitions have been made increasing the total GDV of the portfolio to EUR 5bn to date



## Financial performance H1 2020

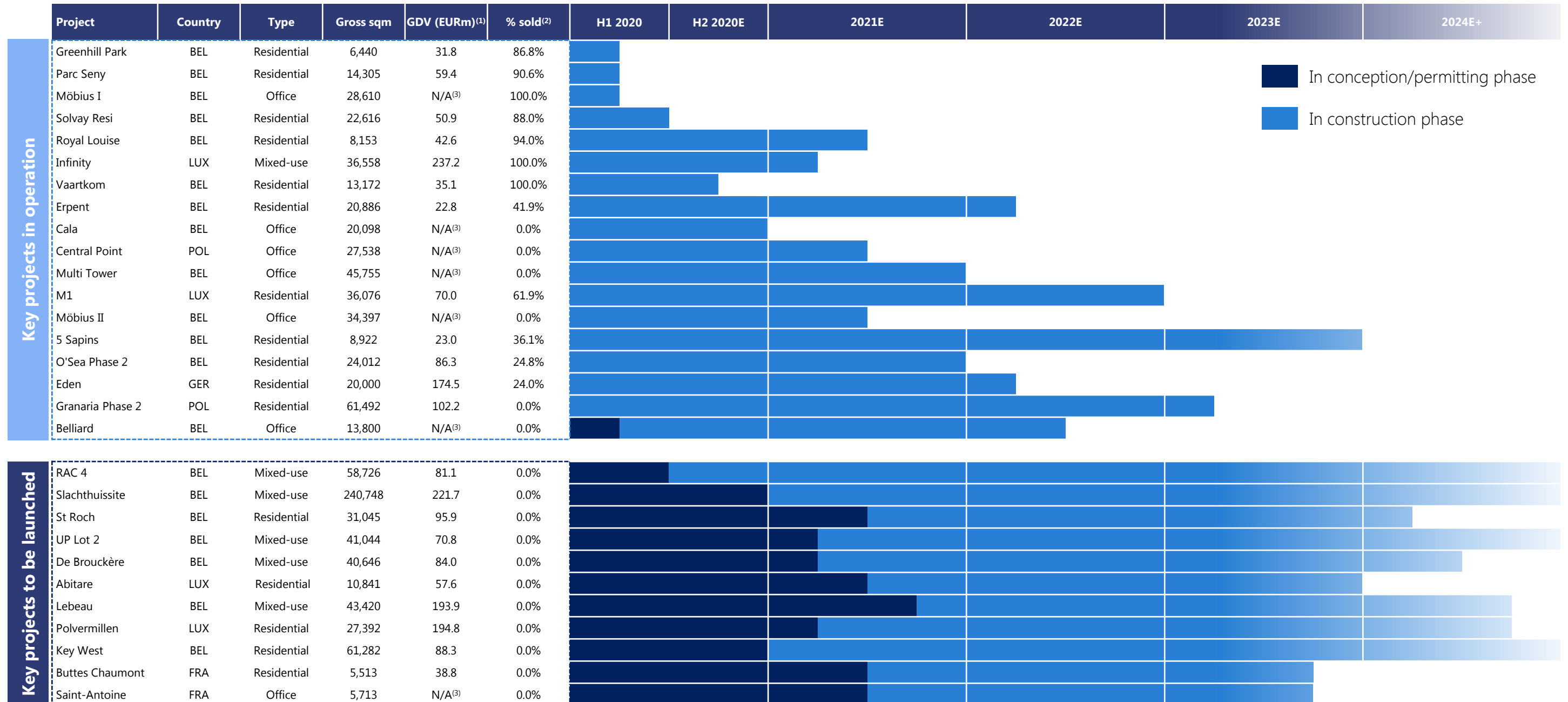
- Operating income increased by 33% to EUR 239m while EBITDA and net income decreased to respectively EUR 37m and EUR 22m
- LTM ROE of 18% achieved, well above the target of 15%
- Well on track to achieve G&A cost savings, in line with current activity level
- Strong balance sheet with gearing ratio of only 58.5% and cash position in excess of EUR 200m
- Successful private placement of 800,000 treasury shares yielding EUR 52.7m in cash/ equity



## Outlook 2020/ 2021

- Contracted sales volume and new permit targets of EUR 400m for FY 2020 still achievable despite impact from COVID-19
- 10 new projects expected to be launched in construction in FY 2020 vs initial target of 13 projects
- Key catalyst for solid growth in the short-term is a large number of new projects expected to be launched by the end of 2021 representing more than 4,000 apartments and houses<sup>(1)</sup> (> EUR 1.5bn in sales value<sup>(2)</sup>)
- Despite COVID-19, the company expects to maintain its dividend policy

# OVERVIEW OF CURRENT PROJECT PIPELINE



Note(s): Most financials refer to internal view published in annual reports/ half year reports; (1) Immo share; (2) Weighted based on gross m<sup>2</sup> per project phase; (3) For confidentiality reasons office projects' GDVs are not shown  
 Source(s): Company information

# HIGHLIGHTS OF IMMOBEL'S PROJECT PIPELINE



~61,000sqm  
Total

50%  
Immobel share

524/ 5  
Apartments/ retail units

~5,000sqm  
Offices

Q1 '21/ Q3 '21/ Q1 '29  
Permit/ construction  
launch/ delivery



~5,700sqm  
Total

100%  
Immobel share

20/ 1  
Apartments/ retail unit

~4,700sqm  
Offices

Q2 '21/ Q3 '21/ Q3 '23  
Permit/ construction  
launch/ delivery



~40,000sqm  
Total

50%  
Immobel share

171/ 1/ 129/ 14  
Apartments/ hotel/ student  
housing/ retail units

~6,500sqm  
Offices

Q2 '21/ Q3 '21/ Q1 '25  
Permit/ construction  
launch/ delivery



~27,000sqm  
Total

100%  
Immobel share

179/ 16/ 17  
Apartments/ lofts/ houses

~1,700sqm  
Offices

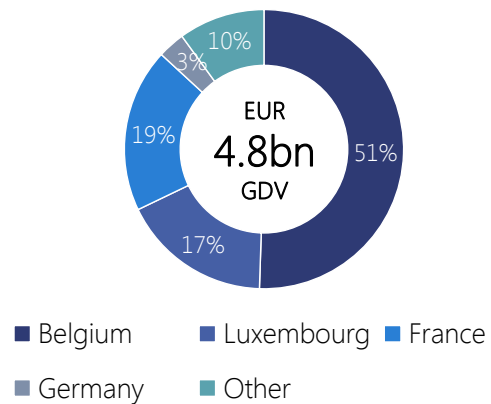
Q4 '21/ Q1 '22/ Q4 '24  
Permit/ construction  
launch/ delivery



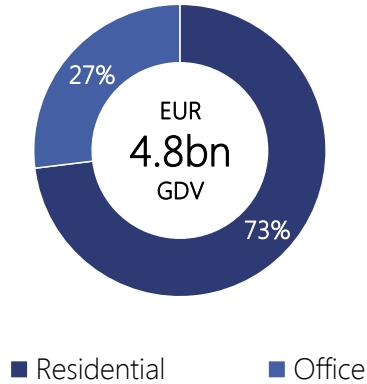
Note(s): (1) For confidentiality reasons office projects' GDVs are not shown  
Source(s): Company information

# PROVEN PORTFOLIO STRATEGY

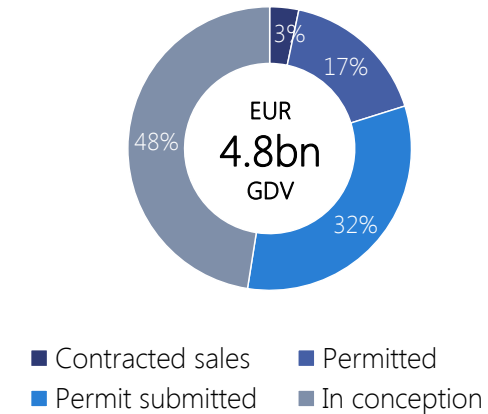
Portfolio by country



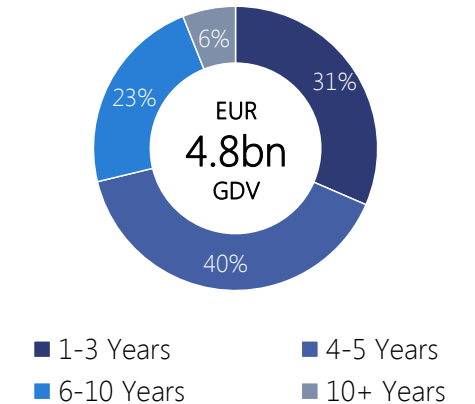
Portfolio by asset class



Portfolio by status

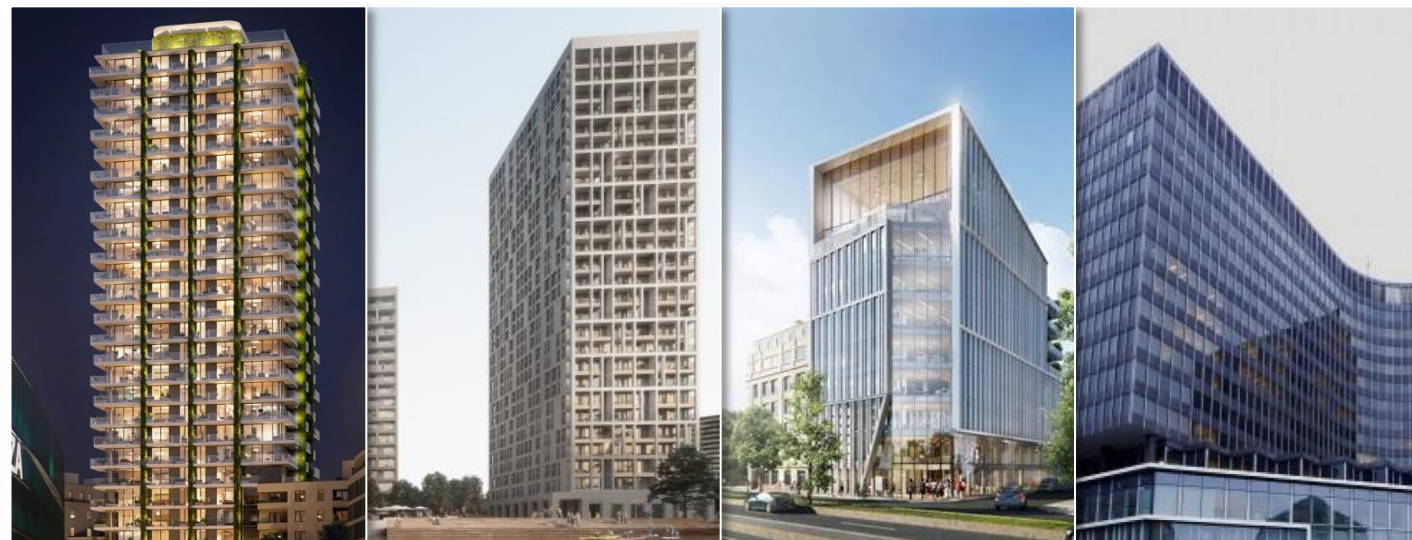


Time to delivery



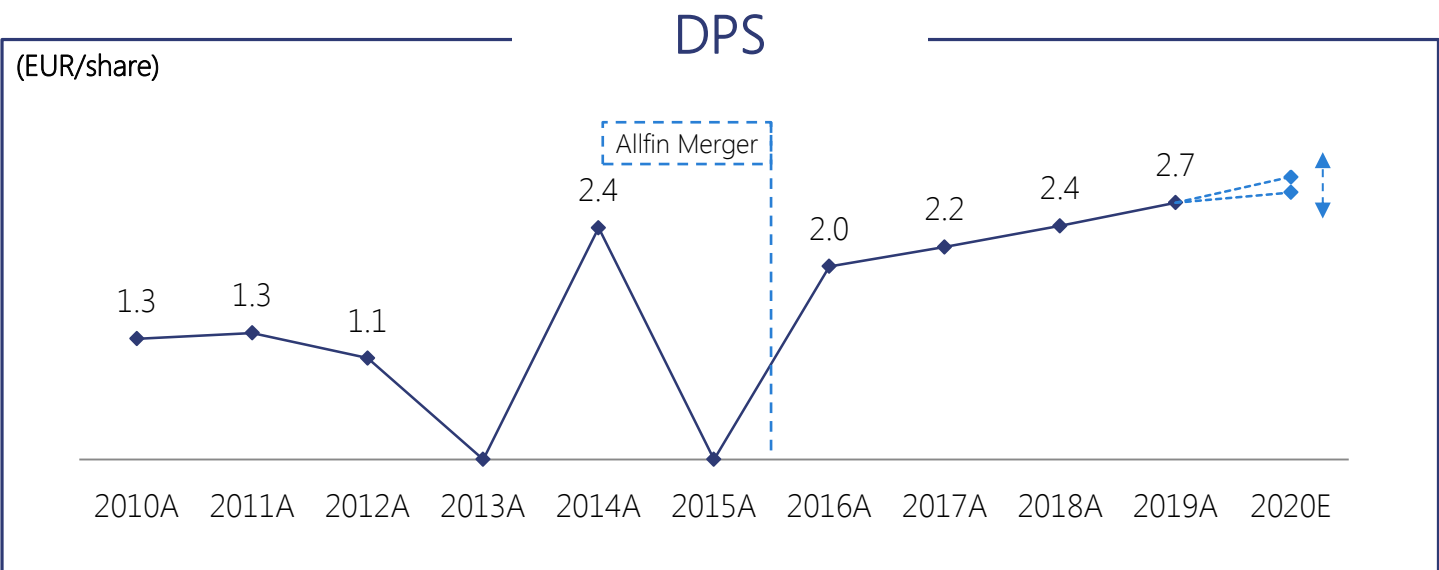
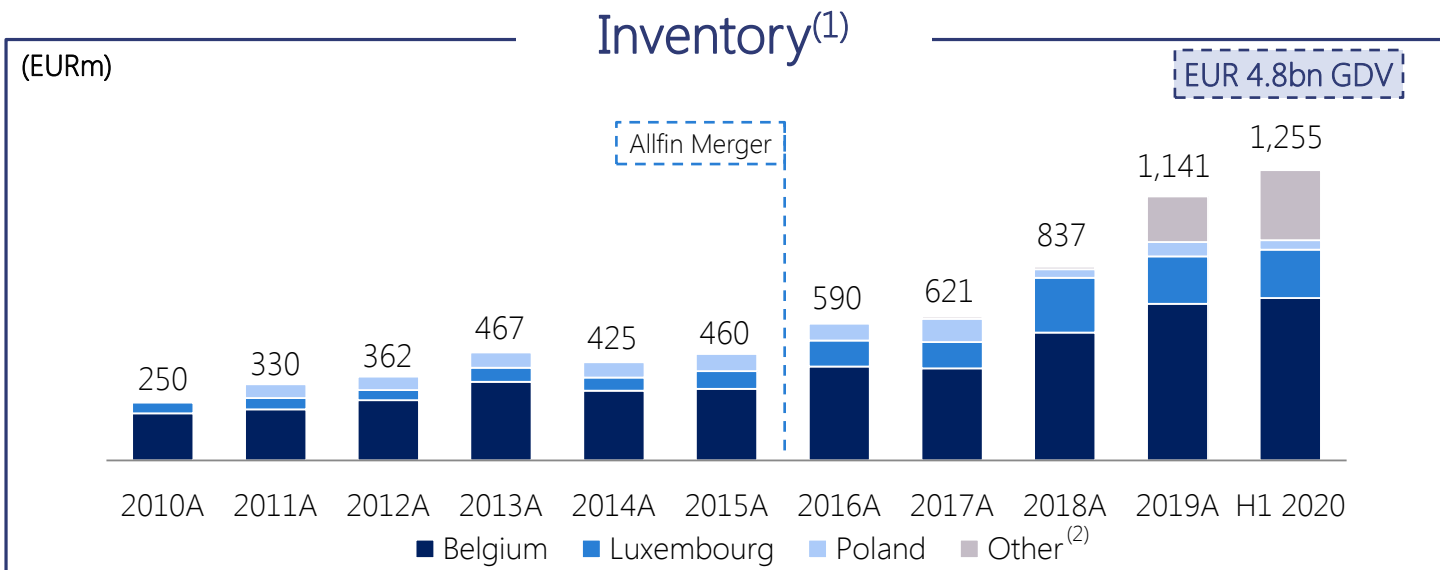
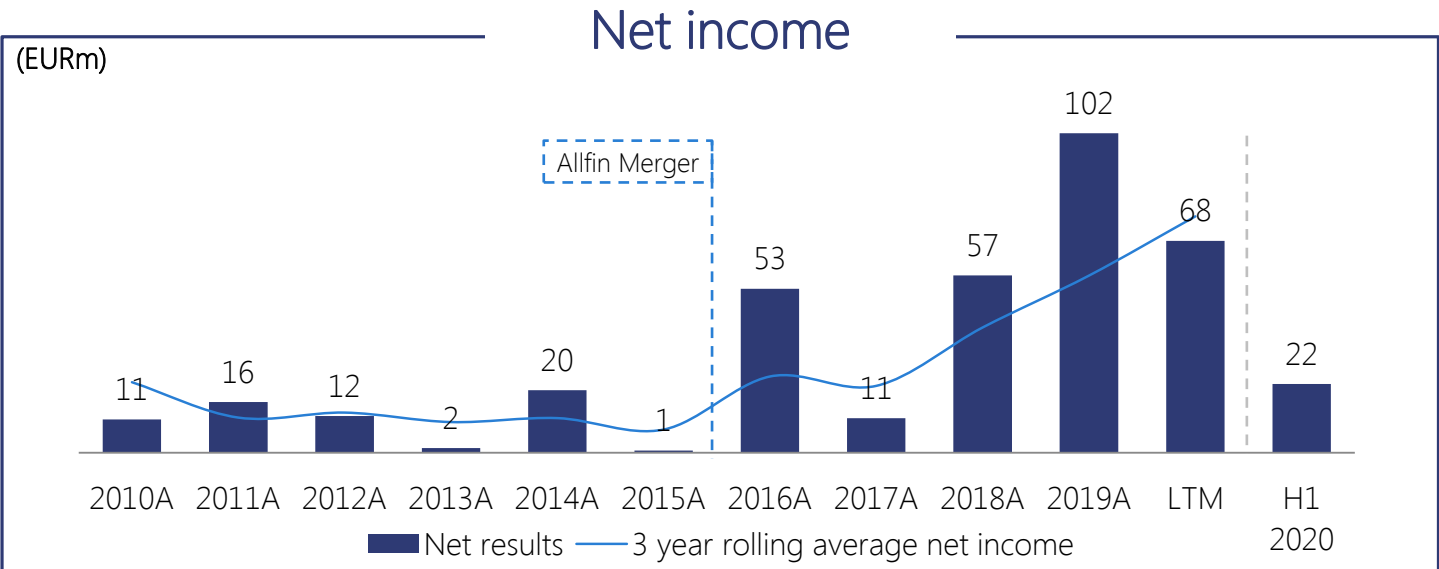
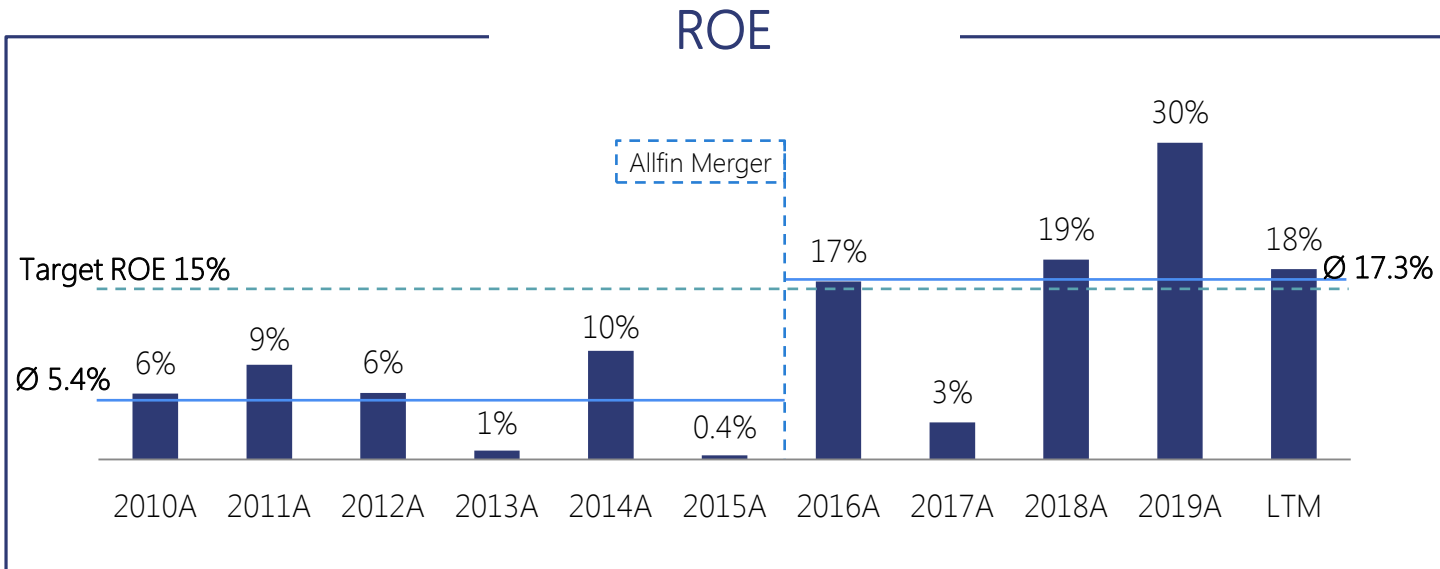
**>15%**  
Return on Equity

**18%**  
average gross margin of the total portfolio's future sales



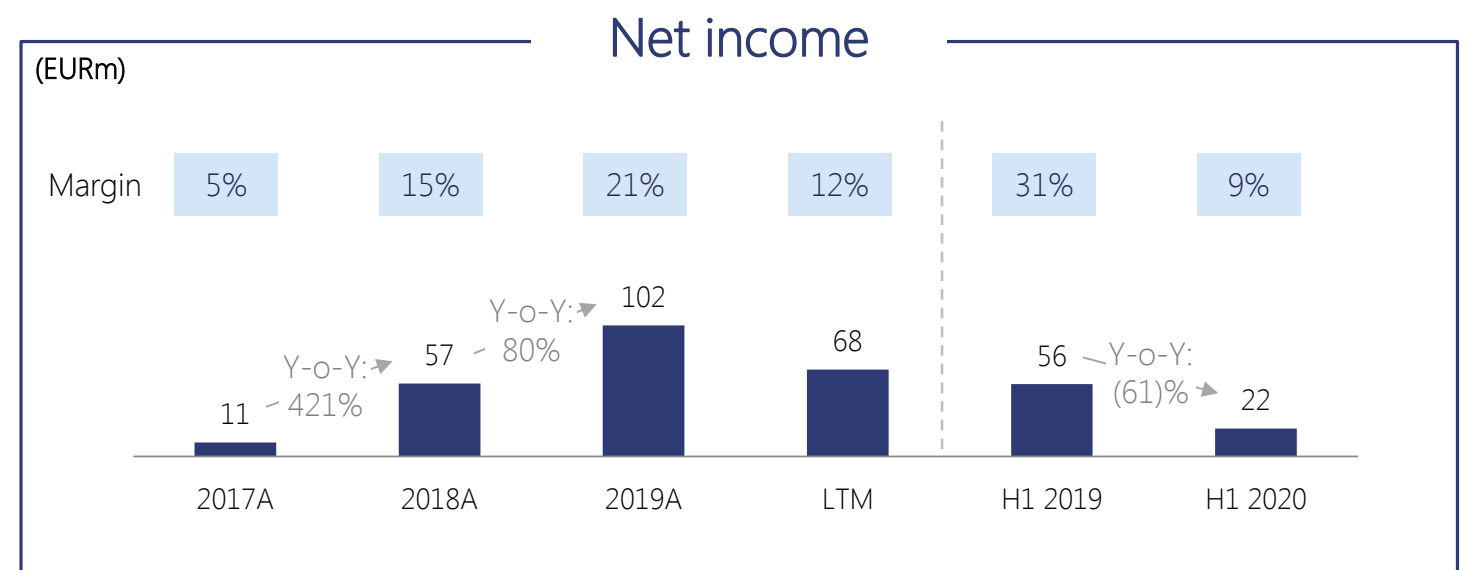
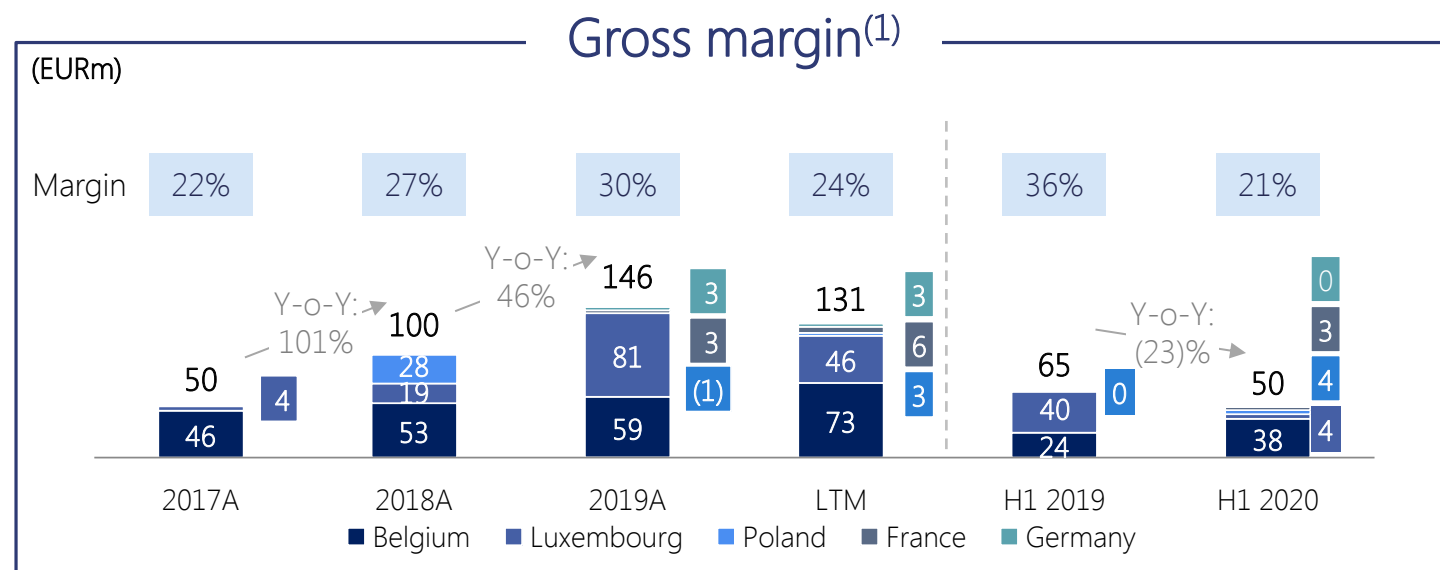
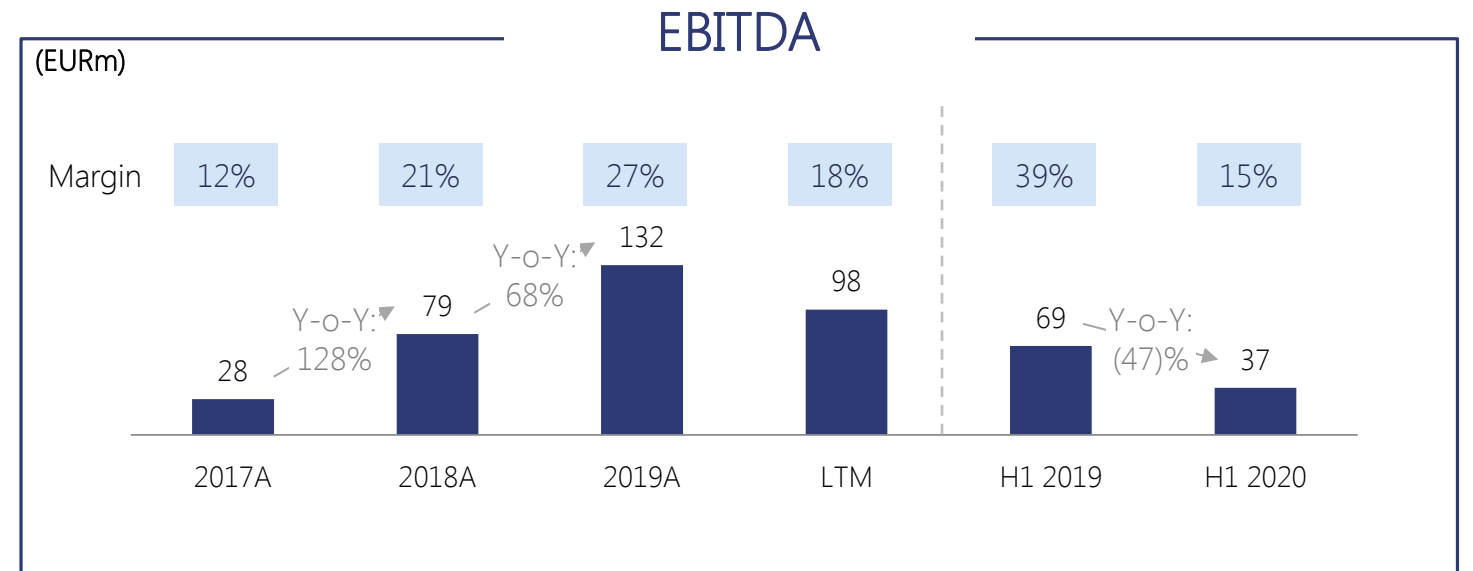
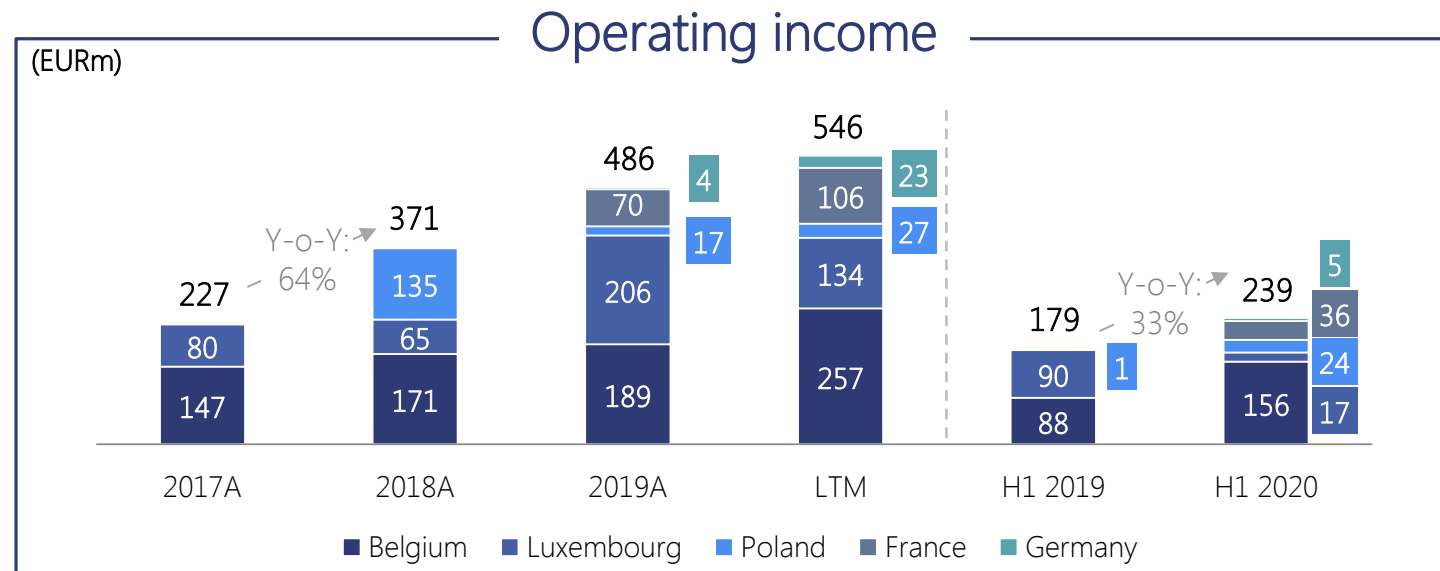
Immobel strongly benefits from a clear focus on prime locations in Brussels, Luxembourg and Paris, as well as a high exposure to residential real estate development

# IMMOBEL HAS ACHIEVED RECORD RESULTS SINCE MERGER



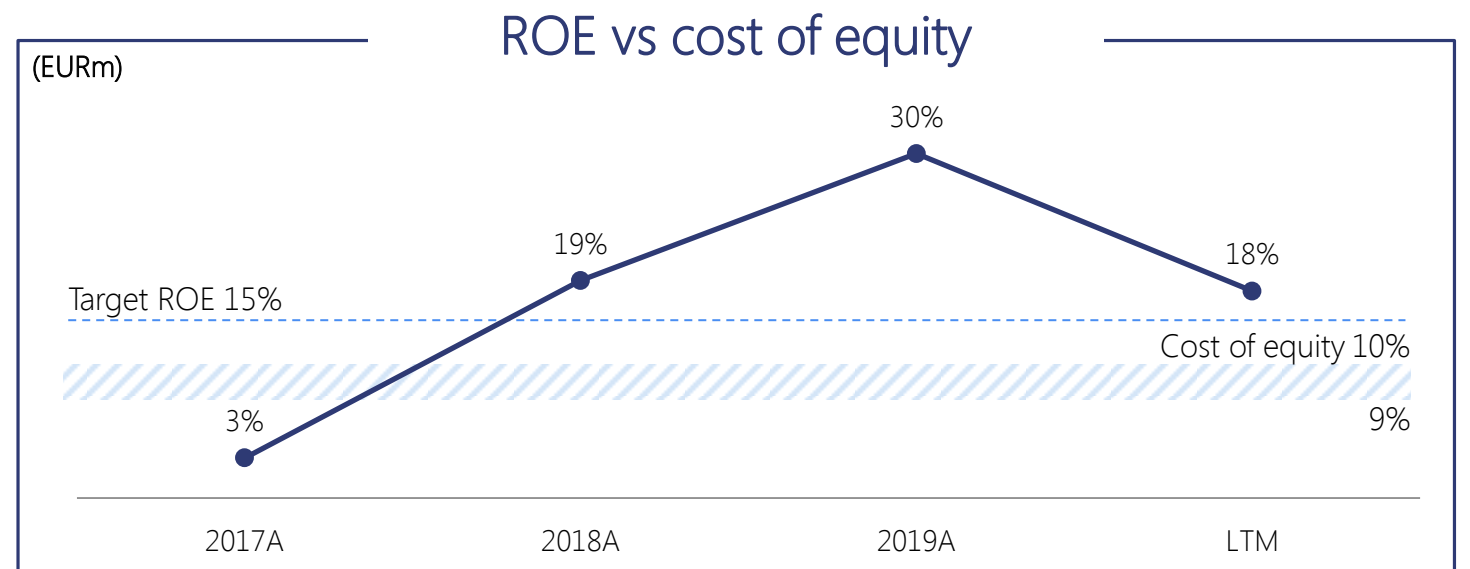
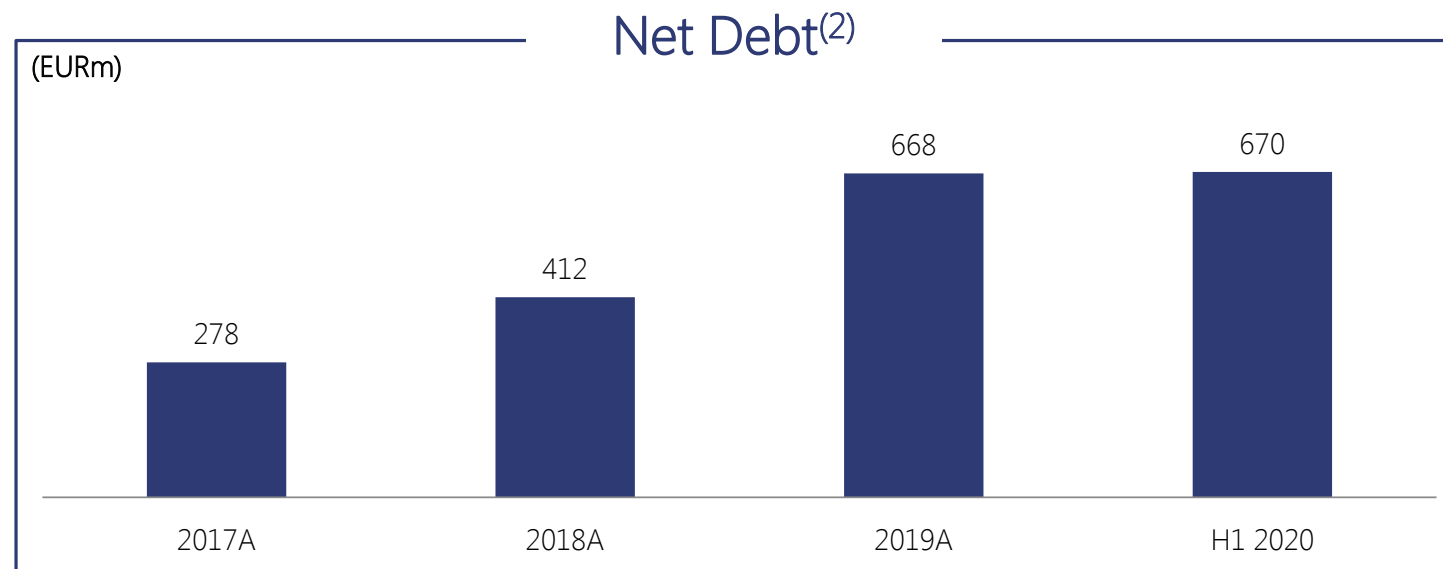
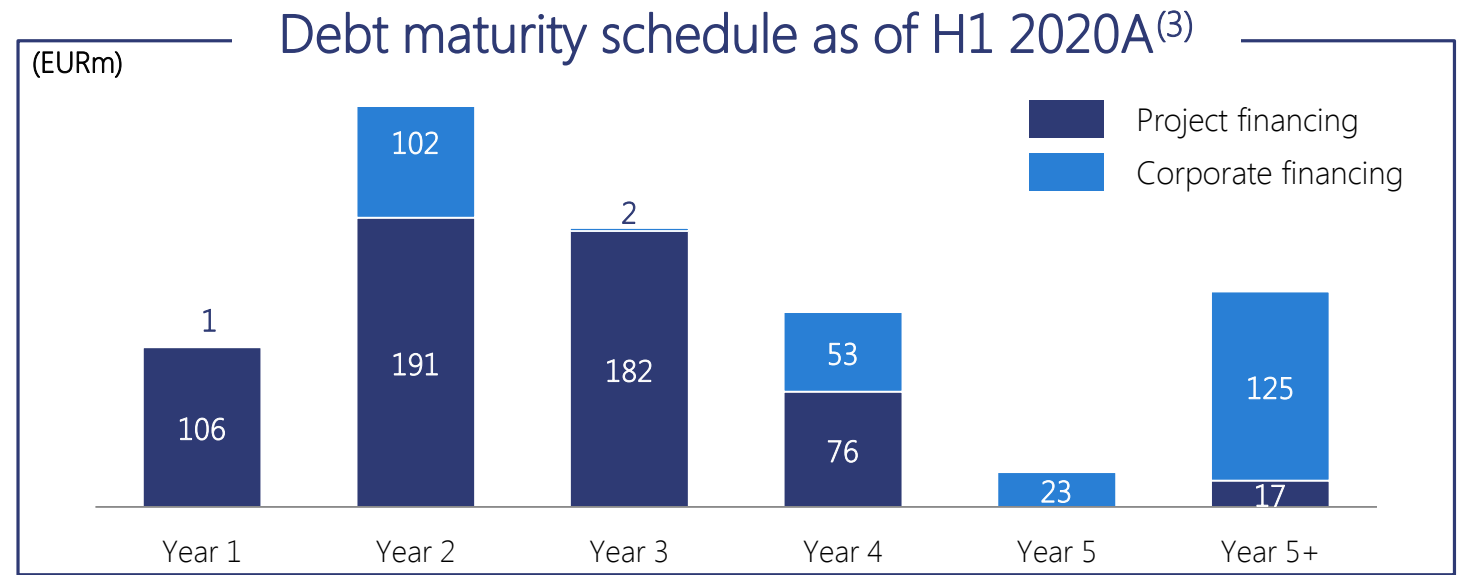
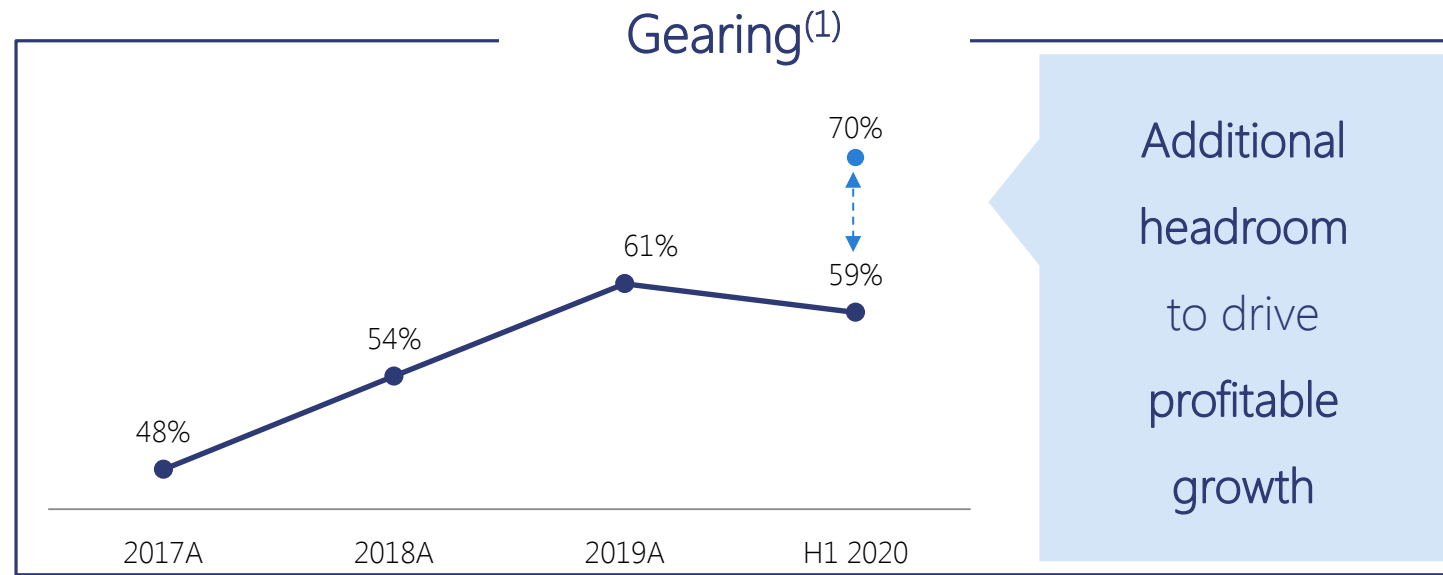
Note(s): Most financials refer to internal view published in annual reports/ half year reports; LTM refers to the period from 30 June 2019 to 30 June 2020; (1) Please refer to the appendix for the definition; (2) Includes France, Germany and Spain  
 Source(s): Company information

# HIGHLY SCALABLE BUSINESS MODEL FOCUSING ON PROFITABLE GROWTH



Note(s): Most financials refer to internal view published in annual reports/ half year reports; LTM refers to the period from 30 June 2019 to 30 June 2020; (1) (operating income-cost of sales(including interest expenses))/operating income; (2) N&P fully consolidated since 02 July 2019 onwards (15% before); Source(s): Company information

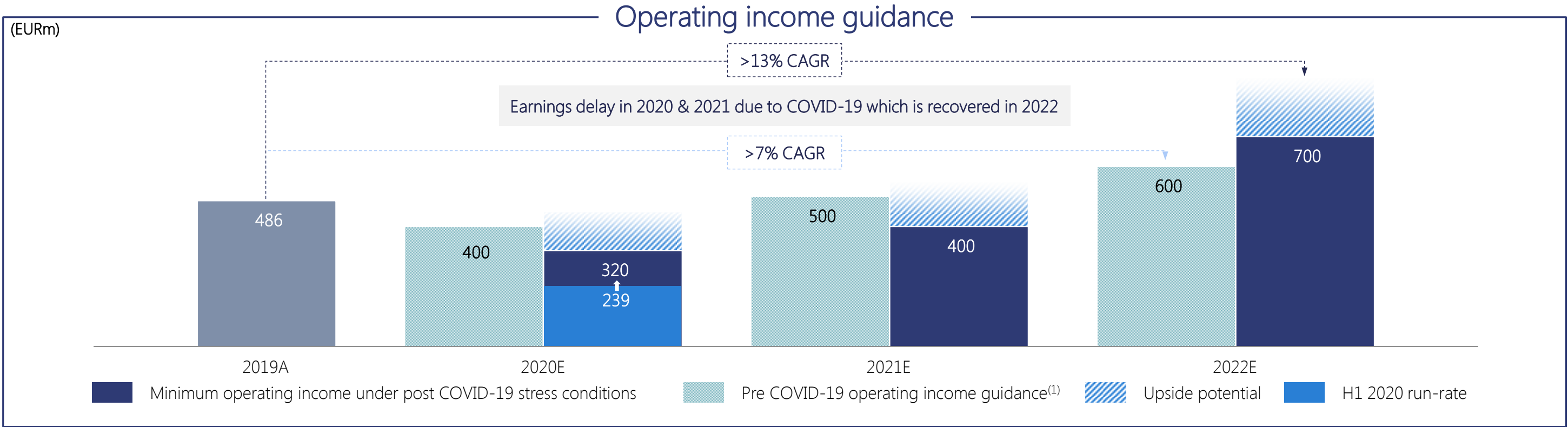
# FINANCIAL STABILITY BACKED BY STRONG BALANCE SHEET



Note(s): Most financials refer to internal view published in annual reports/ half year reports; Return on equity LTM refers to the period from 30 June 2019 to 30 June 2020; (1) Please refer to the appendix for the definition; (2) Long-term & short-term financial debt – cash & cash equivalents; (3) The total data does not sum up to the financial debt in the 2019A balance sheet due to IFRS 16 impact and accrued interest liabilities; Source(s): Company information



# ON TRACK TO OUTPERFORM STRESS CASE SCENARIO IN 2020



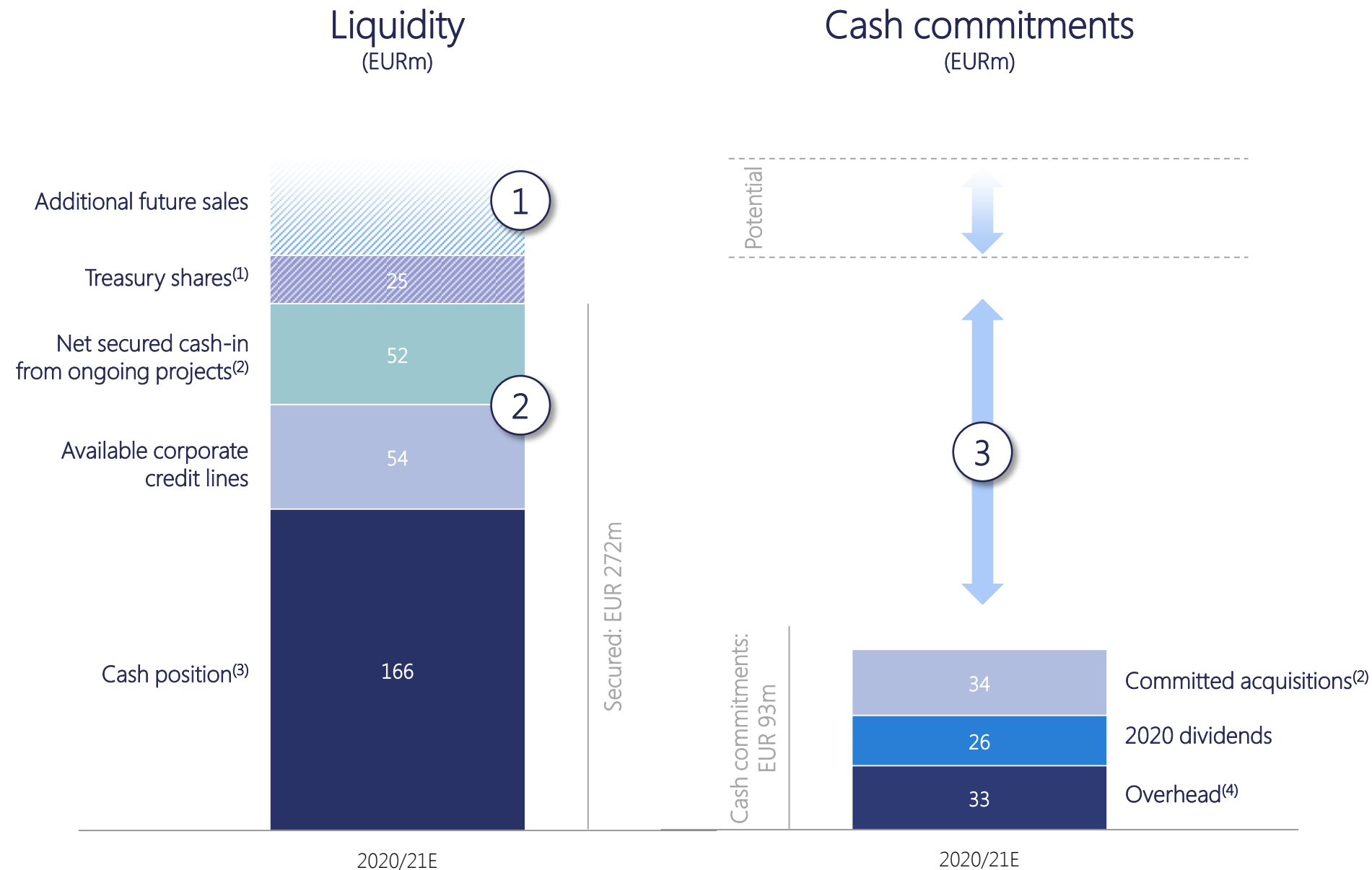
## Stress case assumptions

- Worst case scenario assuming complete shutdown of sales, construction and permitting for the next six months (from March onwards)
- Gradual recovery of operations taking ten months to pre COVID-19 levels

Supported by a strong portfolio of top-tier projects, Immobel expects to outperform stress case scenarios in 2020 and 2021

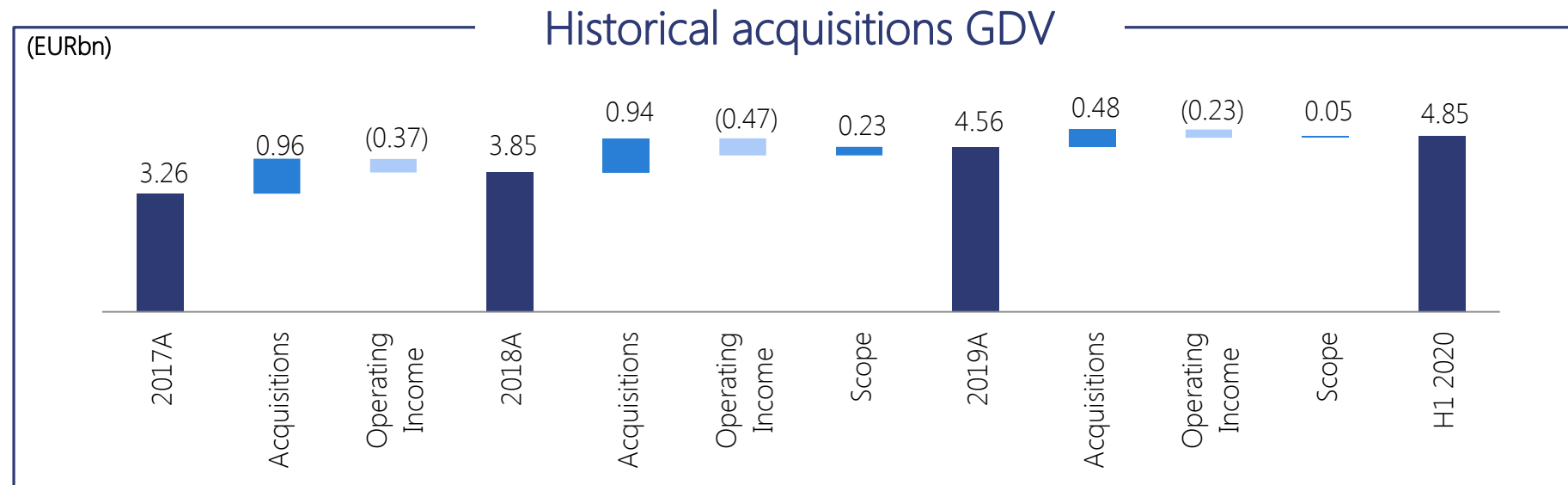
Note(s): Most financials refer to internal view published in annual reports/ half year reports; ; Assumptions are based on information currently available; (1) Please refer to page 11 of the Q1 earnings call presentation  
 Source(s): Company information

# LIQUIDITY REMAINS STRONG IN THE UPCOMING YEARS

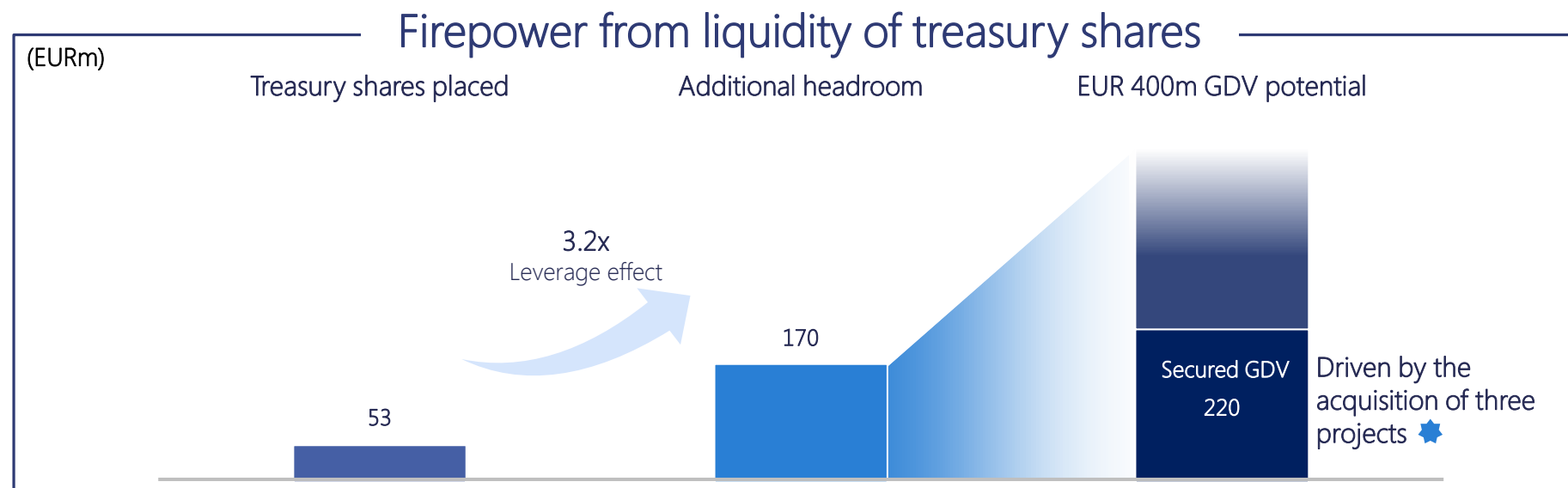


- 1
  - With a strong residential portfolio delivering recurring sales, Immobel still expects further sales in 2020 and 2021
  - Additional sales of office projects in the pipeline for 2020 and 2021
- 2
  - Cash injections required for projects are known and very limited once construction has started
- 3
  - Secured liquidity of EUR 272m generates a surplus of EUR 179m, with a potential upside from treasury shares c. EUR 25m
  - The surplus can be employed to launch construction of new projects, subject to market conditions

# ACQUISITIONS STRENGTHEN MARKET POSITION IN EACH CORE MARKET



Project	Country	Type	Gross sqm <sup>(2)</sup>	GDV (EURm) <sup>(2)</sup>
Multi / Brussels	BEL	Office	22,878	N/A <sup>(3)</sup>
NMBS / Brussels	BEL	Mixed	54,921	185.4
Bundle of French residential projects	FRA	Residential	N/A	59.0
Canal / Luxembourg	LUX	Residential	7,283	37.6
★ Project unnamed / Luxembourg <sup>(4)</sup>	LUX	Residential	19,097	78.7



+

Acquisitions after 30 June

★ Schoetermarial / Luxembourg	LUX	Residential	12,719	106.4
★ Project unnamed / Luxembourg <sup>(4)</sup>	LUX	Office	3,693	N/A <sup>(3)</sup>

Combined GDV of EUR 5bn+

SHAPING THE LANDSCAPE OF EUROPEAN CITIES  
SINCE 1863



IMMOBEL

# Appendix

# PROFIT AND LOSS STATEMENT

## EXTERNAL

(EURk)	Dec 2017	Dec 2018	Dec 2019	Jun 2020
<b>Operating Income</b>	<b>148,999</b>	<b>326,131</b>	<b>419,547</b>	<b>213,914</b>
Turnover	145,000	313,420	408,784	208,034
Other operating income	3,999	12,711	10,763	5,879
<b>Operating Expenses</b>	<b>(127,082)</b>	<b>(260,953)</b>	<b>(327,192)</b>	<b>(185,995)</b>
Cost of sales	(106,711)	(235,325)	(291,027)	(171,291)
Cost of commercialisation	(2,177)	(1,193)	(3,160)	(6)
Administration costs	(18,194)	(24,435)	(33,005)	(14,698)
<b>Transfer of Businesses</b>	<b>-</b>	<b>-</b>	<b>19,618</b>	<b>133</b>
Gain on disposal of businesses	-	-	19,618	133
<b>Joint Ventures and Associates</b>	<b>3,379</b>	<b>5,171</b>	<b>4,985</b>	<b>5,613</b>
Gain (loss) on sales of joint ventures and associates	4,368	(114)	-	-
Share in the net result of joint ventures and associates	(989)	5,285	4,985	5,613
<b>Operating Result</b>	<b>25,296</b>	<b>70,349</b>	<b>116,958</b>	<b>33,665</b>
Interest income	2,199	2,099	3,240	3,227
Interest expense	(4,178)	(5,215)	(7,524)	(5,319)
Other financial income	1,152	1,095	738	1,017
Other financial expenses	(3,941)	(2,786)	(1,782)	(2,990)
<b>Financial Result</b>	<b>(4,768)</b>	<b>(4,807)</b>	<b>(5,328)</b>	<b>(4,065)</b>
<b>Result from continuing Operations before Taxes</b>	<b>20,528</b>	<b>65,542</b>	<b>111,630</b>	<b>29,599</b>
Income taxes	(9,596)	(8,629)	(9,390)	(7,304)
<b>Result from continuing Operations</b>	<b>10,932</b>	<b>56,913</b>	<b>102,240</b>	<b>22,296</b>
<b>Result of Year</b>	<b>10,932</b>	<b>56,913</b>	<b>102,240</b>	<b>22,296</b>
Share of non-controlling interests	(102)	99	(196)	417
<b>Share of ImmoTel</b>	<b>11,034</b>	<b>56,814</b>	<b>102,436</b>	<b>21,878</b>

# BALANCE SHEET

## EXTERNAL

(EURk)	Dec 2017	Dec 2018	Dec 2019	Jun 2020
<b>Non-current assets</b>	<b>66,454</b>	<b>181,670</b>	<b>213,311</b>	<b>251,778</b>
Goodwill	-	-	43,789	506
Intangible assets	405	427	543	43,789
Property, plant and equipment	1,034	947	983	884
Assets under capital lease obligations	0	0	6,441	5,218
Investment property	2,960	104,290	81,123	26,164
Investments in joint ventures and associates	26,452	46,451	55,899	107,688
Advances to joint ventures and associates	24,345	24,151	9,492	53,431
Other non-current financial assets	1,259	806	4,920	419
Deferred tax assets	4,377	4,501	6,374	9,668
Other non-current assets	5,623	97	3,747	4,012
<b>Current assets</b>	<b>738,985</b>	<b>784,700</b>	<b>1,087,903</b>	<b>1,096,839</b>
Inventories	519,973	511,837	694,580	692,375
Trade receivables	11,694	20,734	72,516	18,298
Contract assets	8,280	10,954	42,228	69,355
Tax receivables	165	921	2,703	3,277
Other current assets	31,246	22,562	41,937	35,769
Advances to joint ventures and associates	18,934	46,328	77,743	44,813
Other current financial assets	768	478	50	50
Cash and cash equivalents	147,926	170,886	156,146	232,903
<b>Total assets</b>	<b>805,439</b>	<b>966,370</b>	<b>1,301,214</b>	<b>1,348,617</b>

(EURk)	Dec 2017	Dec 2018	Dec 2019	Jun 2020
<b>Total equity</b>	<b>306,958</b>	<b>344,749</b>	<b>428,162</b>	<b>477,341</b>
<b>Equity share of immobel</b>	<b>306,941</b>	<b>344,633</b>	<b>426,151</b>	<b>474,761</b>
Share capital	97,256	97,256	97,256	97,256
Retained earnings	209,603	247,174	328,693	374,792
Reserves	82	203	202	2,713
<b>Non-controlling interests</b>	<b>17</b>	<b>116</b>	<b>2,011</b>	<b>2,580</b>
<b>Non-current liabilities</b>	<b>340,185</b>	<b>332,875</b>	<b>523,379</b>	<b>620,943</b>
Employee benefit obligations	672	618	633	633
Deferred tax liabilities	7,854	9,681	15,447	18,843
Financial debt	330,090	322,040	507,008	601,467
Derivative financial instruments	1,568	536	291	-
Trade payables	-	-	-	-
<b>Current liabilities</b>	<b>158,296</b>	<b>288,746</b>	<b>349,673</b>	<b>250,333</b>
Provisions	1,355	1,896	3,882	2,969
Financial debt	68,816	193,749	200,063	129,377
Derivative financial instruments	-	-	-	-
Trade payables	41,493	48,470	59,564	45,935
Contract liabilities	470	7,259	5,690	1,221
Tax liabilities	6,211	5,303	1,354	5,740
Other current liabilities	39,952	32,069	79,120	65,091
<b>Total equity and liabilities</b>	<b>805,439</b>	<b>966,370</b>	<b>1,301,214</b>	<b>1,348,617</b>

# PROFIT AND LOSS STATEMENT

## INTERNAL

(EURk)	Dec 2017	Dec 2018	Dec 2019	Jun 2020
<b>Operating Income</b>	<b>226,716</b>	<b>371,265</b>	<b>486,298</b>	<b>238,505</b>
Turnover	222,165	357,131	470,626	229,587
Other operating income	4,551	14,134	15,672	8,917
<b>Operating Expenses</b>	<b>(198,940)</b>	<b>(297,440)</b>	<b>(379,551)</b>	<b>(203,522)</b>
Cost of sales	(176,778)	(270,994)	(340,310)	(188,931)
Cost of commercialisation	(2,741)	(1,288)	(3,253)	(1,219)
Administration costs	(19,421)	(25,158)	(35,988)	(13,371)
<b>Transfer of Businesses</b>	-	-	<b>19,618</b>	<b>133</b>
Gains on disposal of businesses	-	-	19,618	133
<b>Joint Ventures and Associates</b>	<b>(326)</b>	<b>(445)</b>	<b>(2,563)</b>	6
Gain (loss) on sales of joint ventures and associates	-	(114)	-	-
Share in the net result of joint ventures and associates	(326)	(331)	(2,563)	6
<b>Operating Result</b>	<b>27,450</b>	73,380	<b>123,802</b>	<b>35,122</b>
Interest income	1,732	1,736	2,374	2,785
Interest expense	(5,159)	(5,746)	(9,394)	(5,327)
Other financial income / expenses	(2,954)	(1,766)	(1,986)	(2,134)
<b>Financial Result</b>	<b>(6,381)</b>	<b>(5,776)</b>	<b>(7,969)</b>	<b>(4,676)</b>
<b>Result from continuing Operations before Taxes</b>	<b>21,069</b>	<b>67,604</b>	<b>115,833</b>	<b>30,447</b>
Income taxes	(10,140)	(10,691)	(13,482)	(8,151)
<b>Result from continuing Operations</b>	<b>10,930</b>	<b>56,913</b>	<b>102,351</b>	<b>22,296</b>
<b>Result of Year</b>	<b>10,930</b>	<b>56,913</b>	<b>102,351</b>	<b>22,296</b>
Share of non-controlling interests	(102)	99	(85)	417
<b>Share of Immobel</b>	<b>11,032</b>	<b>56,814</b>	<b>102,436</b>	<b>21,878</b>



# BALANCE SHEET

## INTERNAL

(EURk)	Dec 2017	Dec 2018	Dec 2019	Jun 2020
<b>Non-current assets</b>	<b>25,398</b>	<b>187,279</b>	<b>252,412</b>	<b>228,029</b>
Intangible and tangible assets	1,439	1,374	51,756	50,521
Investment property	2,960	158,284	179,597	124,074
Investment in associates	9,627	21,224	16	30,306
Deferred tax assets	4,487	5,487	8,321	11,989
Other non-current assets	6,885	910	12,722	11,140
<b>Current assets</b>	<b>845,576</b>	<b>896,035</b>	<b>1,279,702</b>	<b>1,438,266</b>
Inventories	606,585	598,057	860,718	984,236
Trade receivables	11,773	21,558	80,498	19,689
Tax receivables and other current assets	67,884	90,327	160,521	171,867
Cash and cash equivalents	159,334	186,093	177,965	262,474
<b>Total assets</b>	<b>870,974</b>	<b>1,083,314</b>	<b>1,532,114</b>	<b>1,666,296</b>

(EURk)	Dec 2017	Dec 2018	Dec 2019	Jun 2020
<b>Total equity</b>	<b>303,578</b>	<b>344,749</b>	<b>426,182</b>	<b>477,341</b>
<b>Non-current liabilities</b>	<b>383,990</b>	<b>414,877</b>	<b>642,663</b>	<b>806,665</b>
Financial debt	368,671	403,805	625,530	780,095
Deferred tax liabilities	6,507	9,918	16,209	25,937
Other non-current liabilities	8,812	1,154	924	633
<b>Current liabilities</b>	<b>183,406</b>	<b>323,688</b>	<b>463,269</b>	<b>382,290</b>
Financial debt	68,888	194,522	219,978	152,707
Trade payables	46,068	56,328	75,884	66,782
Tax payables and other current liabilities	68,450	72,838	167,407	162,801
<b>Total equity and liabilities</b>	<b>870,974</b>	<b>1,083,314</b>	<b>1,532,114</b>	<b>1,666,296</b>

# DEFINITIONS

## Gross development value

- Total expected future turnover (group share) of a project or all projects in the current portfolio

## External view

- Official IFRS reported figures of the company

## Internal view

- External view figures before the application of IFRS 11

## Inventory

- Inventories plus investment properties, investments in contract assets, joint ventures & associates and advances in joint ventures & associates

## Operating cash flow excluding investments

- Cash margin + project management fees – overhead costs

## Gearing

- $\text{Net debt} / (\text{net debt} + \text{equity})$

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