

1 February 2019 – after closing of markets
Under embargo until 17:40 CET

AEDIFICA

Public limited liability company
Public regulated real estate company under Belgian law
Registered office: Rue Belliard 40 (box 11), 1040 Brussels
Enterprise number: 0877.248.501 (RLE Brussels)
(the “Company”)

Aedifica completes the acquisition of the portfolio of 92 healthcare properties in the United Kingdom

- **Acquisition of a healthcare real estate portfolio in the United Kingdom**
 - **Contractual value: approx. £450 million**
 - **Initial gross rental yield: approx. 7 %**
 - **Capacity: more than 5,700 units across 92 properties**
 - **Diversified tenant base: 14 operators**
 - **Inflation-linked triple net leases**
 - **WAULT: > 22 years**

Stefaan Gielens, CEO of Aedifica, commented: *“Conditions have been fulfilled for Aedifica’s largest acquisition to date. Aedifica has acquired a significant healthcare real estate portfolio including 92 properties in the United Kingdom. By entering the UK market, Aedifica adds a fourth country to its portfolio and anchors its strategy as a pure play investor in European healthcare real estate. The United Kingdom provides an attractive investment opportunity for Aedifica, since the healthcare market is still very fragmented and the ageing population leads to increasing demand for care assets. Moreover, given current market conditions, Aedifica has acquired this portfolio at a discount as compared to the independently appraised fair value of the buildings. This transaction, in combination with our pre-let development pipeline, further establishes Aedifica as the market reference in listed European healthcare real estate.”*



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Today, Aedifica has completed the previously announced acquisition¹ of a significant UK healthcare real estate portfolio. The contractual value² of the portfolio amounts to approx. £450 million. This transaction marks Aedifica's entry into the United Kingdom, which is one of the largest markets in Europe with attractive fundamentals supporting healthcare real estate.



Armstrong House – Gateshead

The Aedifica UK portfolio consists of 92 healthcare properties³, on 90 locations, with a total capacity for more than 5,700 residents. These largely purpose-built care homes offer a 100% single bedroom ratio and above market average care quality ratings. The portfolio offers good geographical diversification with locations all across the United Kingdom. The portfolio also offers the potential for further improvement through ongoing and identified extension and upgrade projects.

The Aedifica UK portfolio has a diversified tenant base of 14 well-established operators. The leases in this portfolio are inflation-linked triple net leases with a weighted average unexpired lease term of more than 22 years. The initial gross yield amounts to approx. 7 %.

Aedifica will manage and expand its UK portfolio with the support of Layland Walker that has been providing portfolio management services for this portfolio during the past five years. Layland Walker will offer its services exclusively to Aedifica. The Layland Walker team consists of seven experienced professionals dedicated to this portfolio and maintains long term working relationships with the tenants of the portfolio and the UK healthcare market.

The completion of this transaction is financed through existing and new debt facilities. This acquisition increases Aedifica's debt-to-assets ratio by approx. 10 percentage points.

This UK portfolio fits perfectly with Aedifica's pure play European healthcare real estate investment strategy and its current portfolio. This deal further diversifies the Group's geographical spread and tenant base, and strengthens the exceptional WAULT of Aedifica's portfolio.

¹ See press release of 21 December 2018.

² The contractual value complies with the provisions of article 49 § 1 of the Belgian Act of 12 May 2014 on regulated real estate companies.

³ One small care home (contractual value: approx. 1 million £) of the previously announced 93 care properties was sold on 29 January 2019 to its tenant that exercised its pre-emption right.



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The English version of this press release constitutes a free translation of the Dutch language text and is made for information purposes only. In case of inconsistency with the Dutch version or inaccuracy of the Dutch translation, the Dutch text shall prevail.

Aedifica is a Regulated Real Estate Company under Belgian law specialised in healthcare real estate, particularly in senior housing. Aedifica has developed a portfolio worth more than €2.3 billion in Belgium, Germany, the Netherlands and the United Kingdom.

Aedifica has been quoted on Euronext Brussels (regulated market) since 2006 and is identified by the following ticker symbols: AED; AED:BB (Bloomberg); AOO.BR (Reuters).

The Company's market capitalisation was approx. €1.5 billion as of 31 January 2019.

Aedifica is included in the EPRA indices.

Forward-looking statement

This document contains forward-looking information that involves risks and uncertainties, including statements about Aedifica's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Aedifica. Should one or more of these risks, uncertainties or contingencies materialise, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, Aedifica does not assume any responsibility for the accuracy of these forward-looking statements.

For all additional information

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