

aedifica  
The urban way to live

# Half year results 2014/2015

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31 December 2014



Brussels, 24 February 2015

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# Highlights H1 2014/2015



# Highlights

H1 2014/2015 (1)



(As of 31 December 2014)

- **15 additions** in senior housing since 1 July 2014, of which 8 located in Germany
- **Senior housing:** 70 % of the portfolio
- **German portfolio:** > €100 m, 11 % of total portfolio
- **Occupancy rate:** 97.7 % for the unfurnished portfolio and 73.2 % for furnished apartments
- **Rental income:** +18 % YoY, ahead of budget

# Highlights

H1 2014/2015 (2)

(As of 31 December 2014)

- **Profit excl. IAS 39 & IAS 40: + 28 % YoY, ahead of budget**
- **Total fair value investment properties: €971, +€186 m, i.e. +23%, compared to 30 June 2014**
- **Positive change of investment properties: +€13 m (of which €7 m, i.e. +0.7 %, concerning marketable investment properties) compared to 30 June 2014**
- **Debt-to-assets ratio: 52 %**
- **Regulated Real Estate Company (RREC) status since 17 October 2014**

# Highlights

H1 2014/2015 (3)



(As of 31 December 2014)

— **Dividend forecast:** Increased to €2.00 gross per share

(As of 31 December 2014)

- **Total portfolio outlook: €1,128 m**
  - €964 m (incl. projects on balance sheet, excl. assets held for sale)
  - €164 m (committed investments in pipeline)
- **Average remaining lease maturity: 20 years**

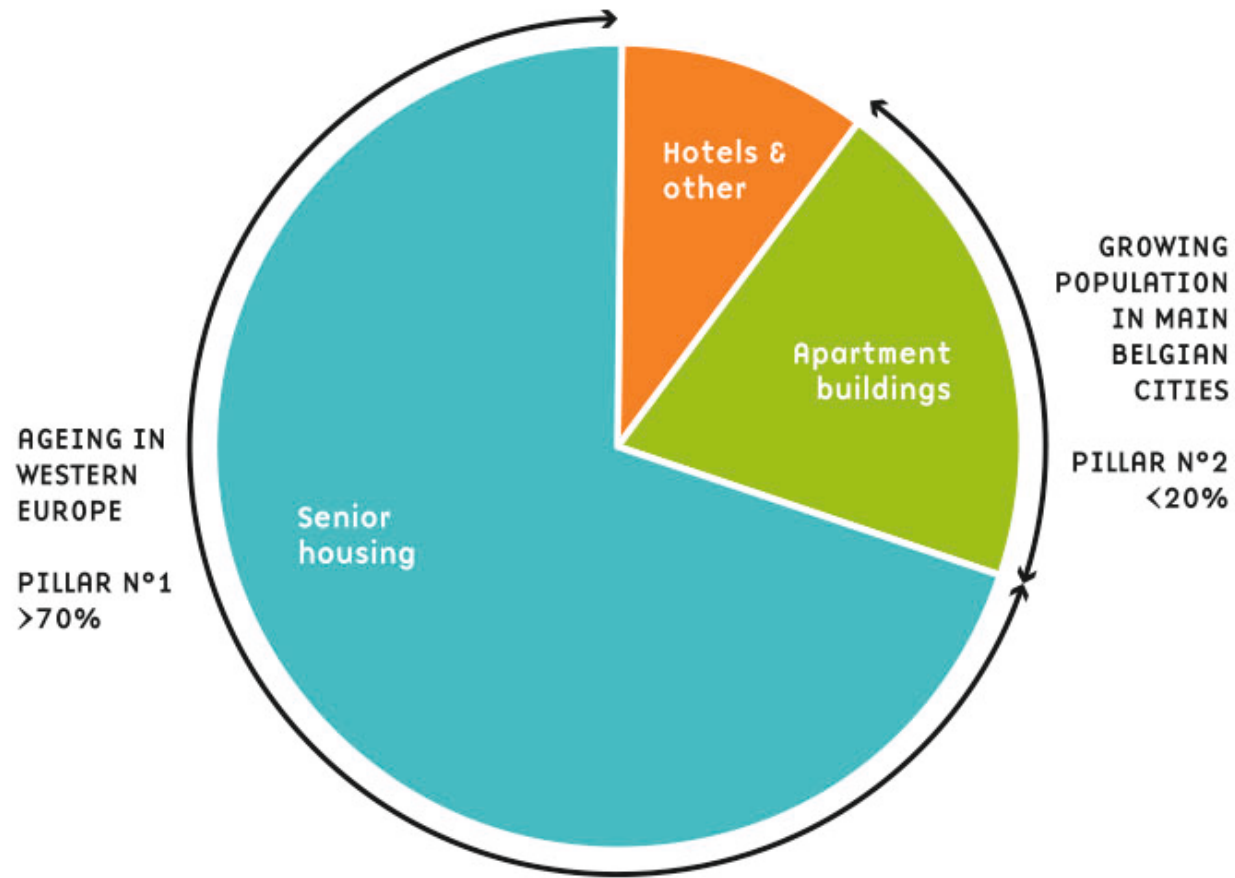


# Strategy



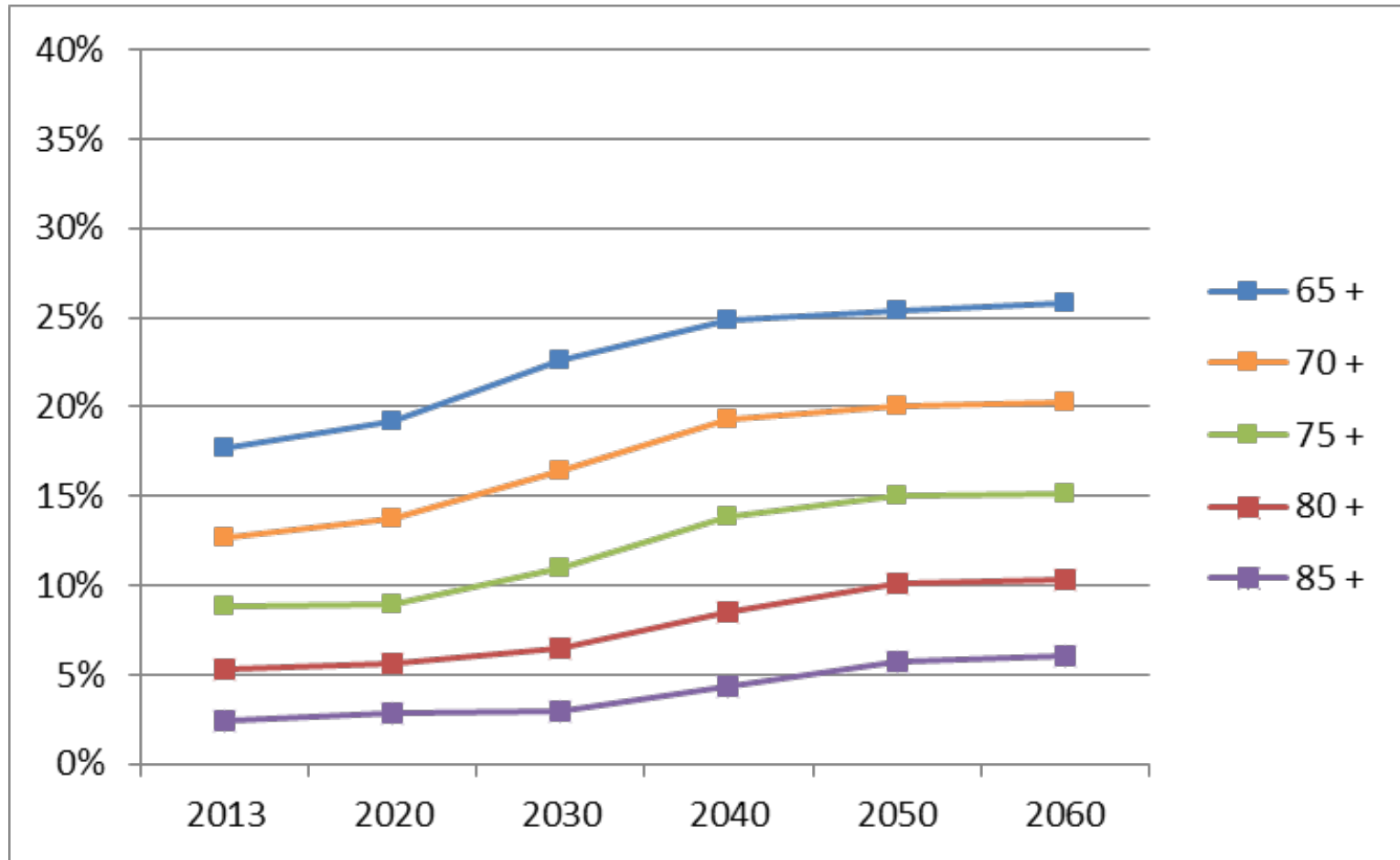


- Belgian REIT (RREC/SIR/GVV)
  - market cap > €650 m
  - free float of 88 %
  - see appendix for characteristics of a Belgian REIT
- Investing in the residential market
  - approx. €970 m investment properties
  - approx. 463,000 m<sup>2</sup>
- Focusing on demographic evolutions
  - Belgium
  - Germany
- Year-end: 30 June
- Withholding tax at 15 %



# Demographic evolution

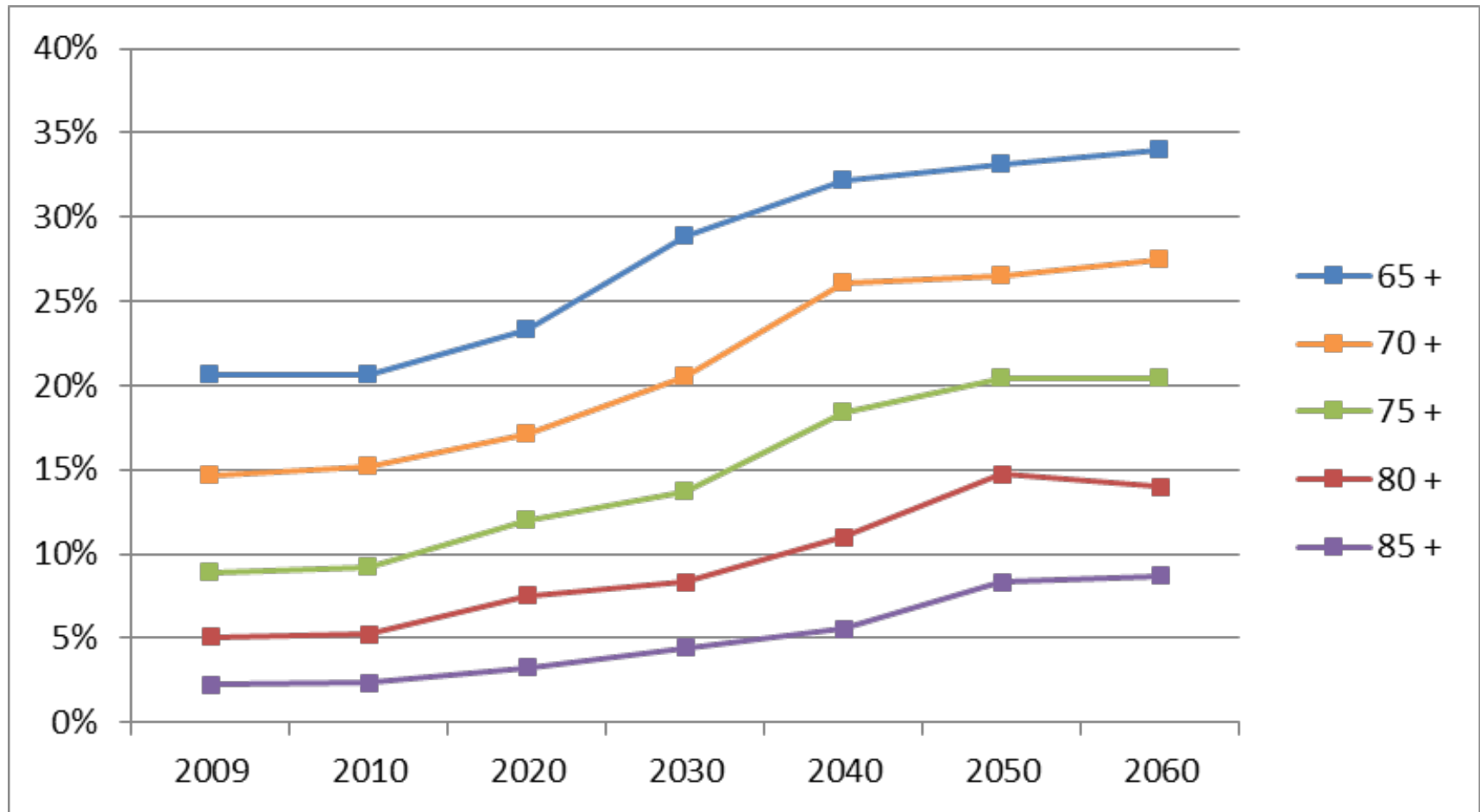
## Ageing in Belgium



Source: "Perspectives de population 2013-2060", Federal Planning Bureau, 2014.

# Demographic evolution

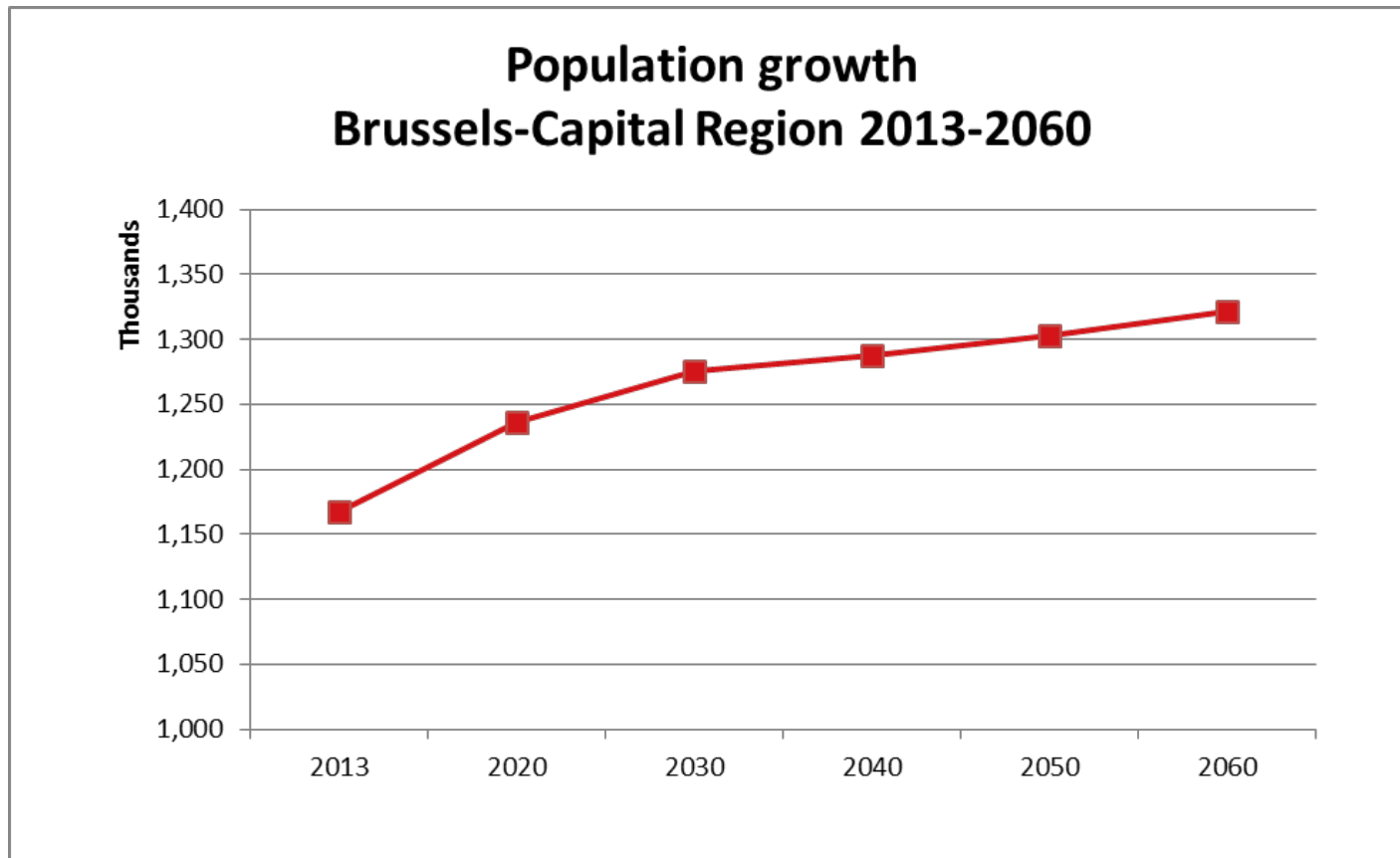
## Ageing in Germany



Source: "Bevölkerung Deutschlands bis 2060", Statistisches Bundesamt (Deutschland), 2009

# Demographic evolution

## Growing population - Brussels

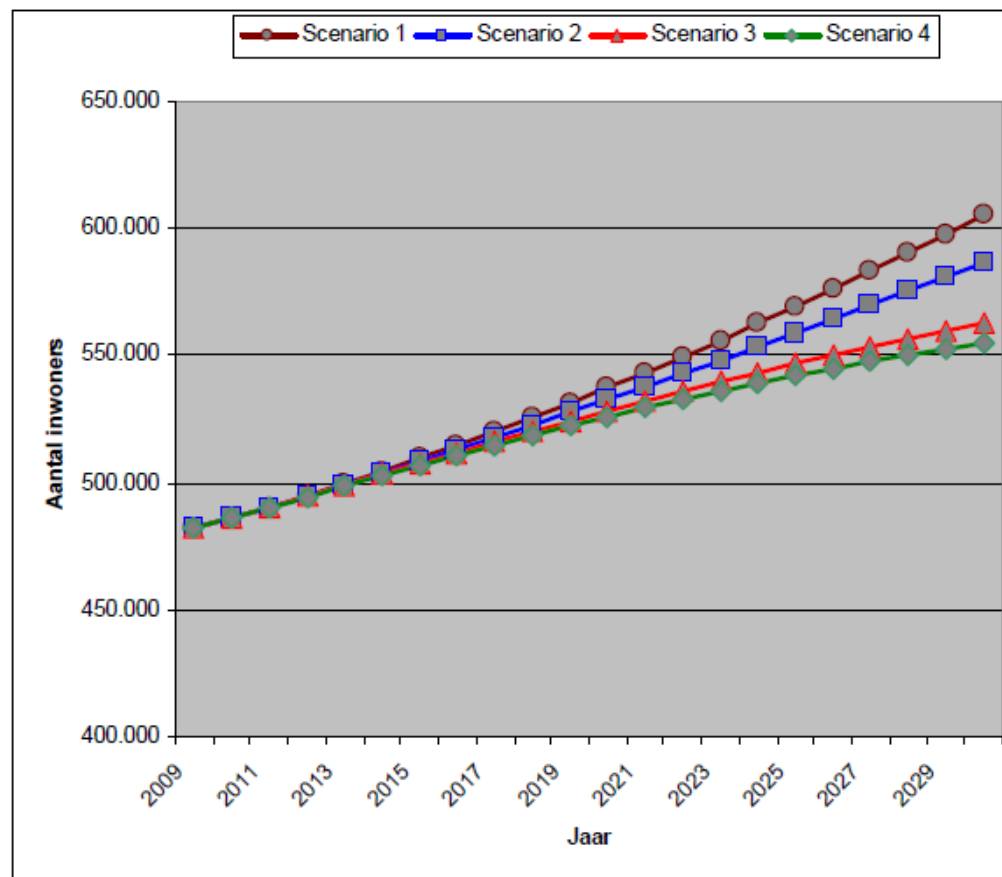


*Source: Federal Planning Bureau, 2014.*

# Demographic evolution

## Growing population - Antwerp

Grafiek 9: prognose aantal inwoners 2009-2030



Source: Bevolkingsprognoses Antwerpen 2009-2030 (Stad Antwerpen)

Scenario 1: Positive migration + increasing fertility. Scenario 2: Positive migration + stable fertility. Scenario 3: stable migration + stable fertility. Scenario 4: stable migration + decreasing fertility.



# Segment information

(As of 31 December 2014)

## CORE

### Senior housing in Western Europe



Weight: 70 %  
Yield: 5.9 %  
EBIT margin: 100 %

→ **Cash flow**  
(long term leases)  
**+ growth potential**

### Apartment buildings in Belgium's main cities

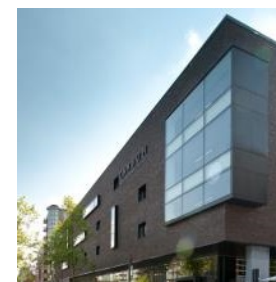


22 %  
5.5 %  
57 %

→ **Value play<sup>1</sup>**

## NON-CORE

### Hotels in Belgium



8 %  
6.2 %  
99 %

→ **Cash flow**  
(long term leases)

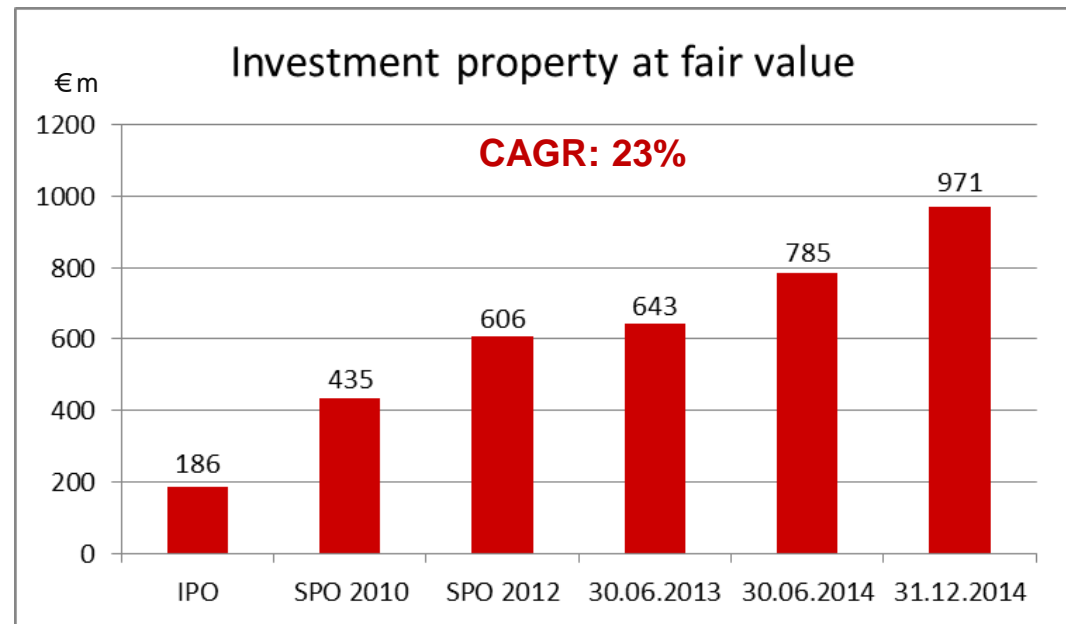
<sup>1</sup> Expected capital gains through arbitration of apartments on the long term.

# Achievements



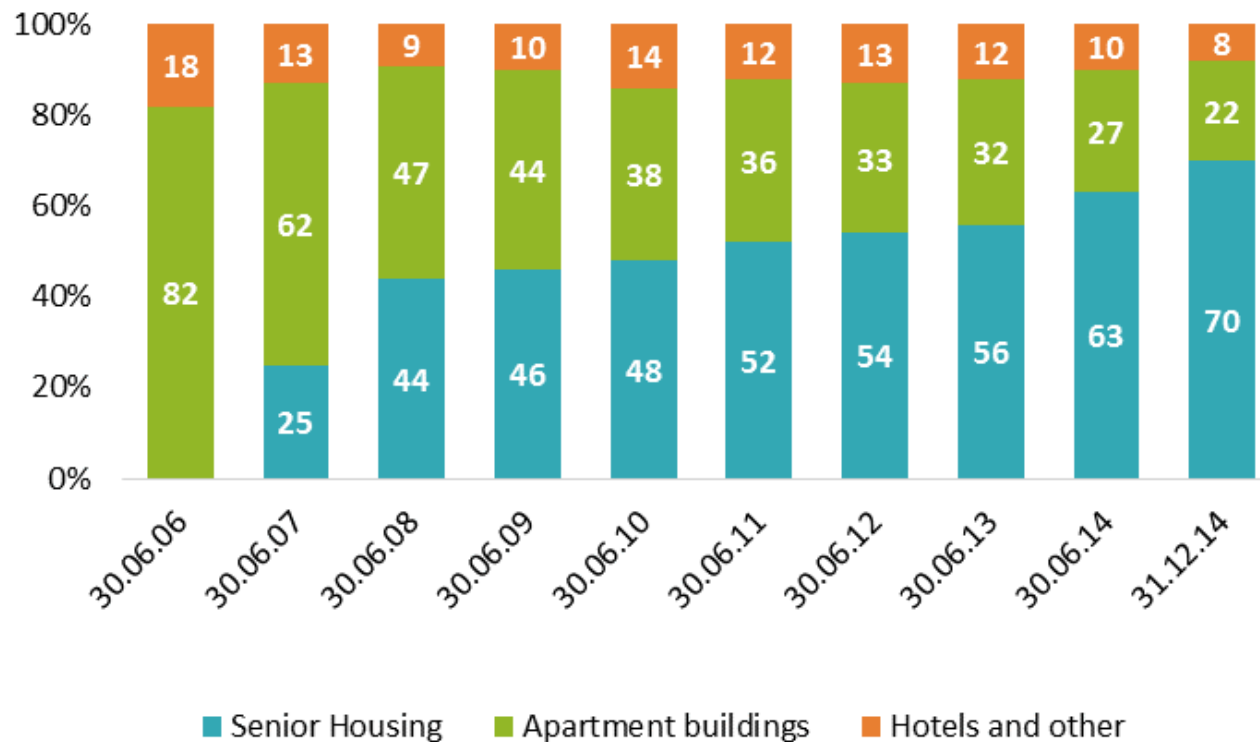
# Milestones (1)

- Nov. 2005: Creation of Aedifica
- Dec. 2005: Filed as Vastgoedbevak/Sicafi + 1<sup>st</sup> acquisitions
- Oct. 2006: IPO
- Oct. 2010: 1<sup>st</sup> SPO
- Dec. 2012: 2<sup>nd</sup> SPO
- Oct. 2014: SIR/GVV



# Milestones (2)

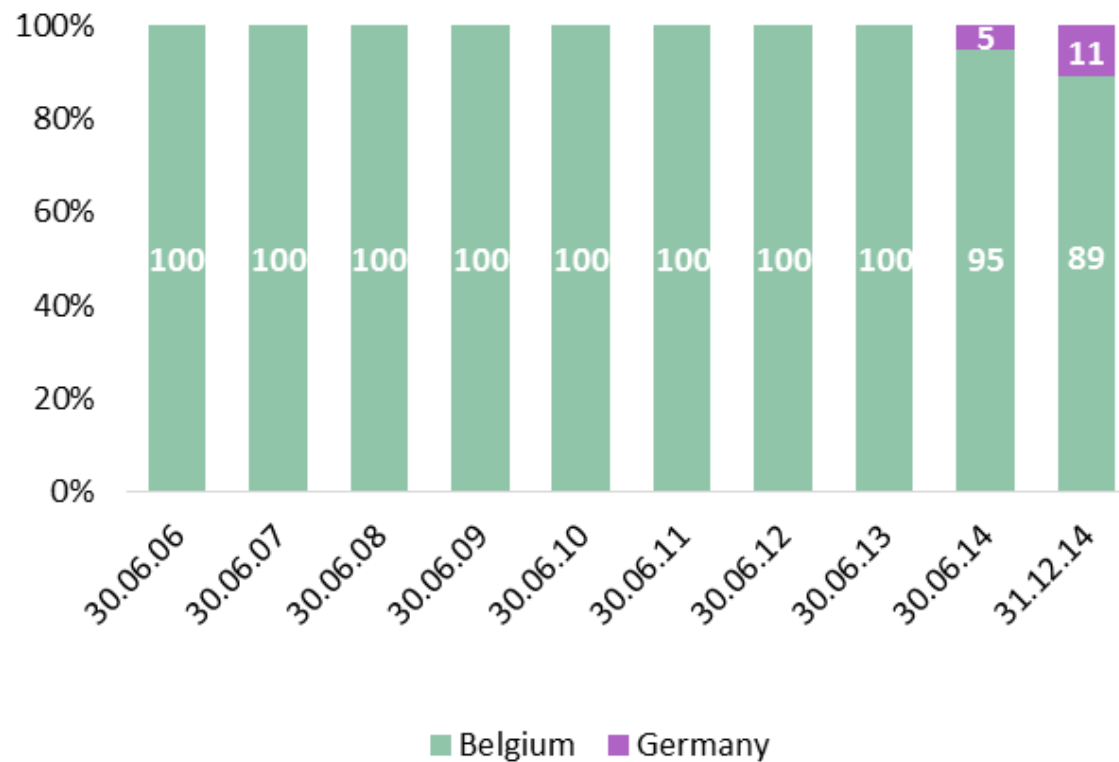
Evolution by segment (fair value)



Marketable property at fair value (€941 m, incl. assets held for sale)

# Milestones (3)

Geographical breakdown (fair value)



Marketable property at fair value (€941 m, incl. assets held for sale)

- Reminder: Gross proceeds = €100 m
  - Since then, significant growth of investment properties:
    - 30 Sept. 2012: €606 m
    - 30 June 2014: €785 m
    - 31 Dec. 2014: €971 m
- + €365 m



- Successful 1<sup>st</sup> time optional dividend
- 64% of shareholders opted for dividend in new shares
- Approx. €11 m capital increase

- 4 Dec. 2014: Partial demerger of La Réserve Invest SA, owner of 2 buildings (Olen and Wetteren)
- Issuance of new Aedifica shares in the amount of approx. €23 m
- Full dividend entitlement in exchange for the payment of a fee to Aedifica
- Private placement at 3% discount

- Aedifica strengthens its team as from 1 January 2015
  - New COO function: Mrs. Laurence Gacoin
  - New subsidiary in Germany:  
Aedifica Asset Management GmbH, led by Mr. Martin Engel

# Investments in Germany (1)

- Germany:
  - 2013: 1<sup>st</sup> investments abroad since Aedifica's creation in 2005
  - Aedifica = 1<sup>st</sup> Belgian REIT to invest in Germany
- Portfolio of 13 German rest homes:
  - Capacity of 1,135 residents
  - Total contractual value of more than €100 million
  - Initial gross rental yield of approx. 7 %
  - Double net long lease
  - Average remaining lease maturity: approx. 24 years
  - Local operators: AGO, Volkssolidarität, Senator, Residenz-Gruppe Bremen

# Investments in Germany (2)

## — Actual German portfolio:



Herkenrath



Dresden



Kreischta



Sonneberg



Bonn

# Investments in Germany (3)

## Acquisitions



Rheinbach



Wenden-Rothemühle



Olpe-Rüblinghause



Bad Harzburg



Kalletal



Kirchlengern



Enger



Kierspe



# Investments in Germany (4)

## Acquisition under outstanding conditions



Service-Residenz Schloss Bensberg\*

\*Copyright: © C. Arlinghaus.

# Investments & completions (1)

YTD 2014/2015

(As of 31 December 2014)

## — 7 acquisitions in Belgium

- Oase Aarschot Wissenstraat (Aarschot)
- Oase Tienen (Tienen)
- De Notelaar (Olen)
- Overbeke (Wetteren)
- Halmolen (Halle-Zoersel)
- Villa Temporis (Hasselt)
- La Ferme Blanche (Remicourt)

## — 2 completions in Belgium

- Eyckenborch (Gooik)
- Klein Veldeken (Asse)

# Investments & completions (2)

YTD 2014/2015



(As of 31 December 2014)

## — 8 acquisitions in Germany

- Seniorenresidenz Am Stübchenbach (Bad Harzburg)
- Seniorenresidenz Mathilde (Enger)
- Die Rose im Kalletal (Kalletal)
- Seniorenresidenz Kierspe (Kierspe)
- Seniorenresidenz Klosterbauerschaft (Kirchlengern)
- Senioreneinrichtung Haus Matthäus (Olpe-Rüblinghausen)
- Bonifatius Seniorenzentrum (Rheinbach)
- Senioreneinrichtung Haus Elisabeth (Wenden-Rothemühle)

- Semi-industrial building Bara sold on 12 Feb. 2015
  - Price: €0.6 million
  - Net gain on disposal: > 50%

# Investments 2014/2015 (1)

Oase Aarschot Wissenstraat



**10 July 2014**

Acquisition of 1 rest home in Aarschot  
(Province of Flemish Brabant)

- €24 m invested amount
- 164 units (of which 31 sold)

Eyckenborch



**September 2014**

Completion of extension  
and renovation works of  
1 rest home in Gooik  
(Province of Flemish Brabant)

- 142 units after extension

Oase Tienen



**29 August 2014**

Acquisition of 1 rest home\* in Tienen  
(Province of Flemish Brabant)

- €24 m invested amount (incl. plot of land)
- 178 units (of which 27 sold)

\* The plot of land was acquired on 30 June 2014.

# Investments 2014/2015 (2)

Seniorenresidentz Klosterbauerschaft



**3 November 2014**

Acquisition\* of a portfolio of 8 rest homes in Germany

- More than €60 m invested amount
- 642 units

\* the usual outstanding conditions in Germany (mainly of administrative nature) were lifted on 16 December 2014.

Klein Veldeken



**October 2014**

Completion of extension works of 1 assisted-living apartment building in Asse (Province of Flemish Brabant)

- 58 units after extension

Overbeke



**4 December 2014**

Acquisition of 2 rest homes in Belgium (Provinces of Antwerp and East Flanders)

- €29 m invested amount
- 207 units



# Investments 2014/2015 (3)

Halmolen



## 11 December 2014

Acquisition of a rest home in Belgium (Province of Antwerp)

- €18 m invested amount
- 140 units

Villa Temporis



La Ferme Blanche



## 18 December 2014

Acquisition of 2 rest homes in Belgium (Provinces of Limburg and Liège)

- €9 m invested amount
- 101 units\*

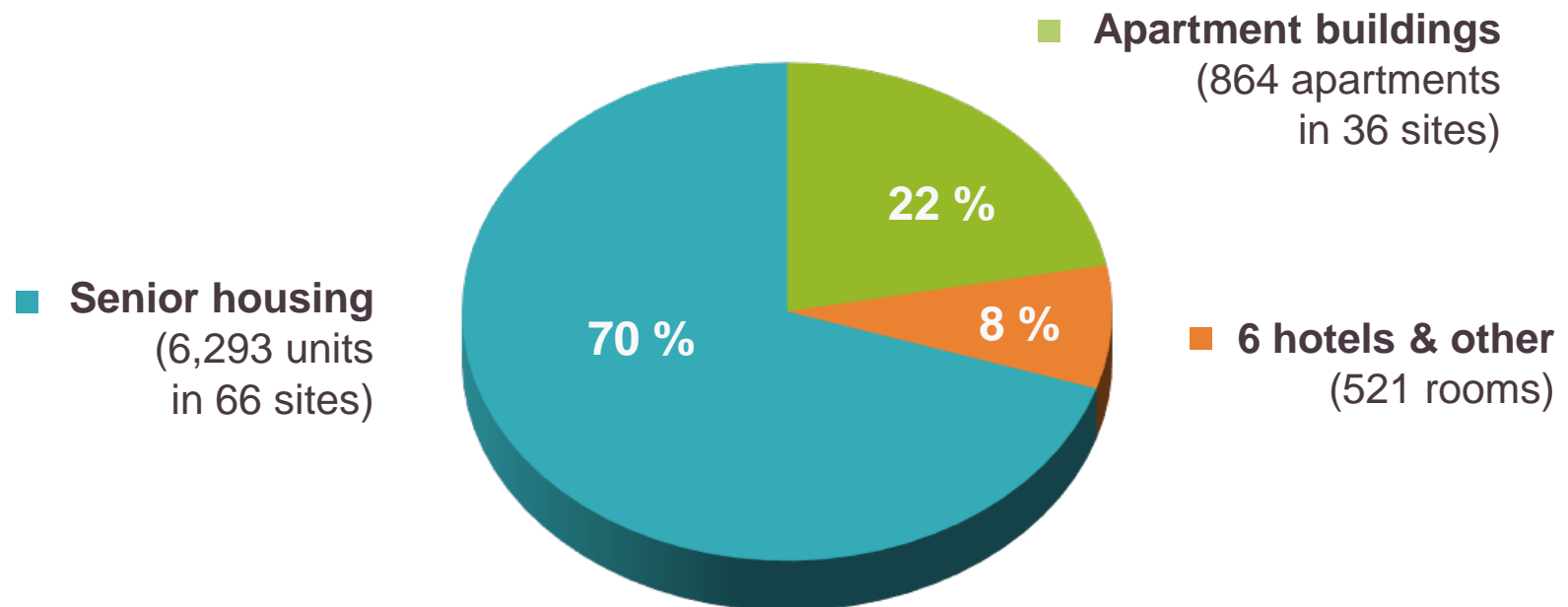
\* As of 1 January 2015

# Portfolio analysis



# Segments

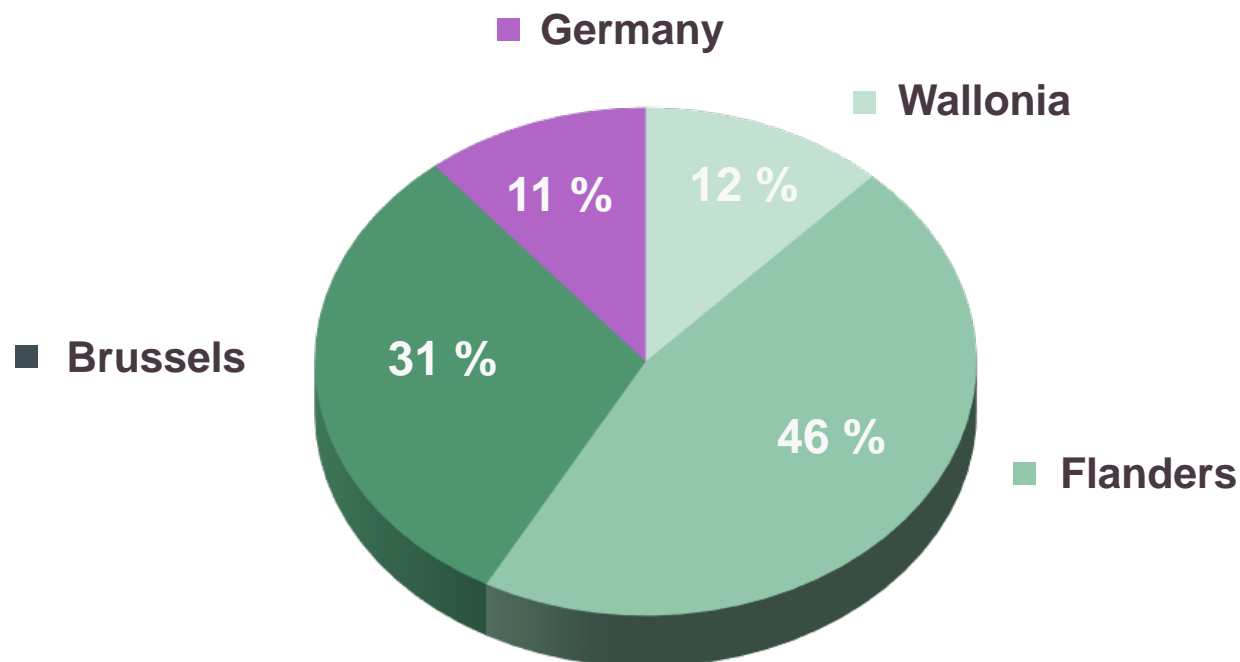
(As of 31 December 2014)



Marketable property at fair value (€941 m, incl. assets held for sale)

# Geographical breakdown

(As of 31 December 2014)



Marketable property at fair value (€941 m, incl. assets held for sale)

# Main tenants

Breakdown of senior housing contractual rents by group controlling legal entities in contractual relation with Aedifica	31 December 2014	30 June 2014
<b>Senior housing</b>	<b>71%</b>	<b>63%</b>
<b>Belgium</b>	<b>58%</b>	<b>57%</b>
<i>Armonea</i>	13%	13%
<i>Senior Living Group*</i>	13%	16%
<i>Orpea</i>	12%	14%
<i>Soprim@</i>	8%	10%
<i>Oase</i>	5%	2%
<i>Vulpia</i>	3%	0%
<i>Time for Quality</i>	2%	0%
<i>Other</i>	2%	2%
<b>Germany</b>	<b>13%</b>	<b>6%</b>
<i>Residenz-Gruppe Bremen</i>	8%	0%
<i>AGO</i>	3%	3%
<i>Senator</i>	1%	2%
<i>Volkssolidarität</i>	1%	1%
<b>Hotels and other</b>	<b>7%</b>	<b>9%</b>
<i>Martin's hotels</i>	5%	6%
<i>Different Hotel Group</i>	2%	3%
<b>Other tenants</b>	<b>22%</b>	<b>28%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>

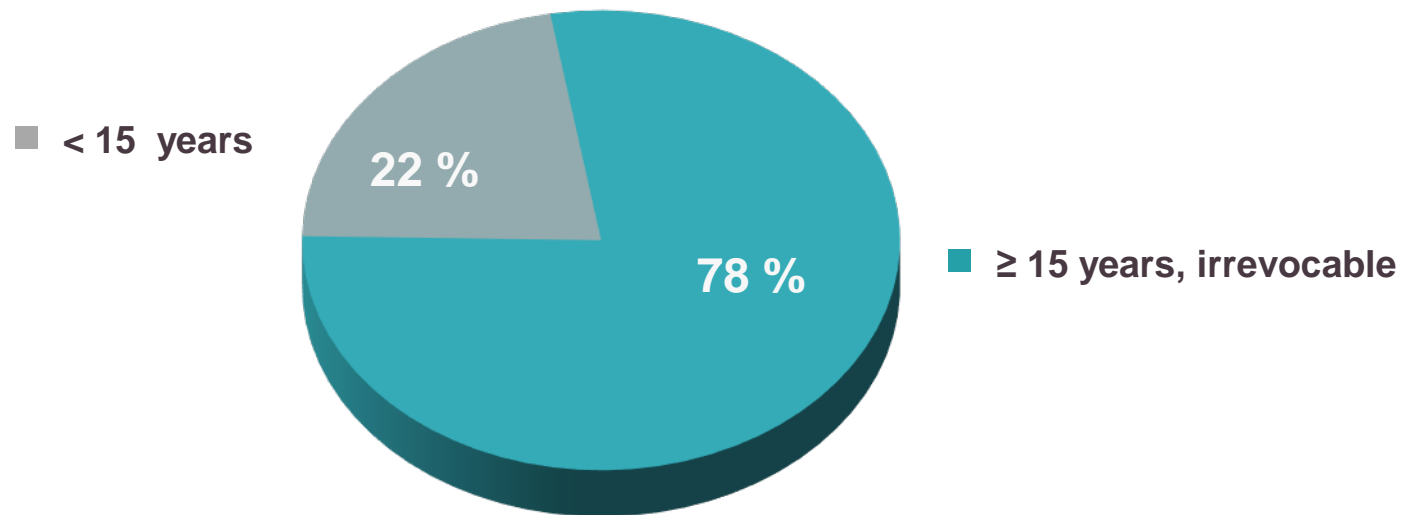
\* Group Korian-Medica

Based on contractual rents

# Lease maturity

(As of 31 December 2014)

## Initial lease maturity

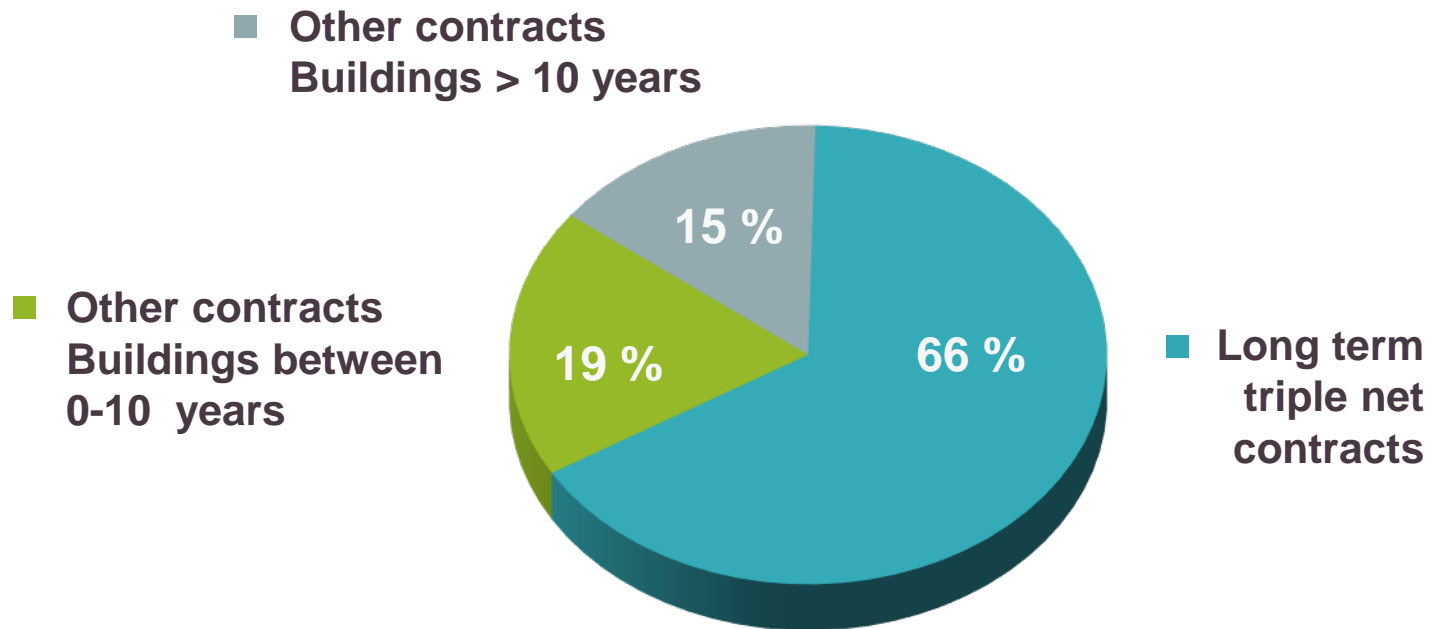


## Average remaining lease maturity

**20 years**

# Age of buildings

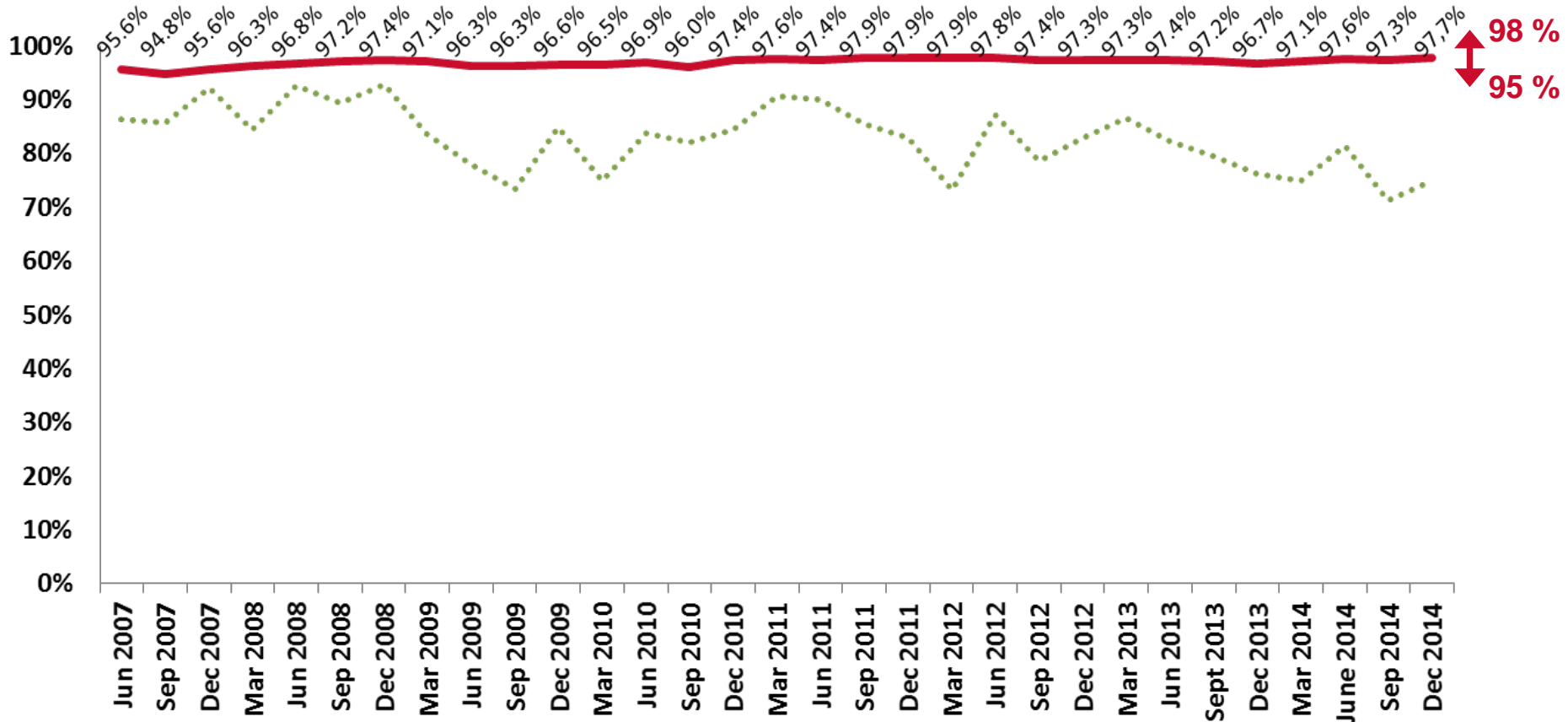
(As of 31 December 2014)



Marketable property at fair value (€941 m, incl. assets held for sale)

# Occupancy rate

Portfolio excl. furnished apartments\* (94 % of portfolio)



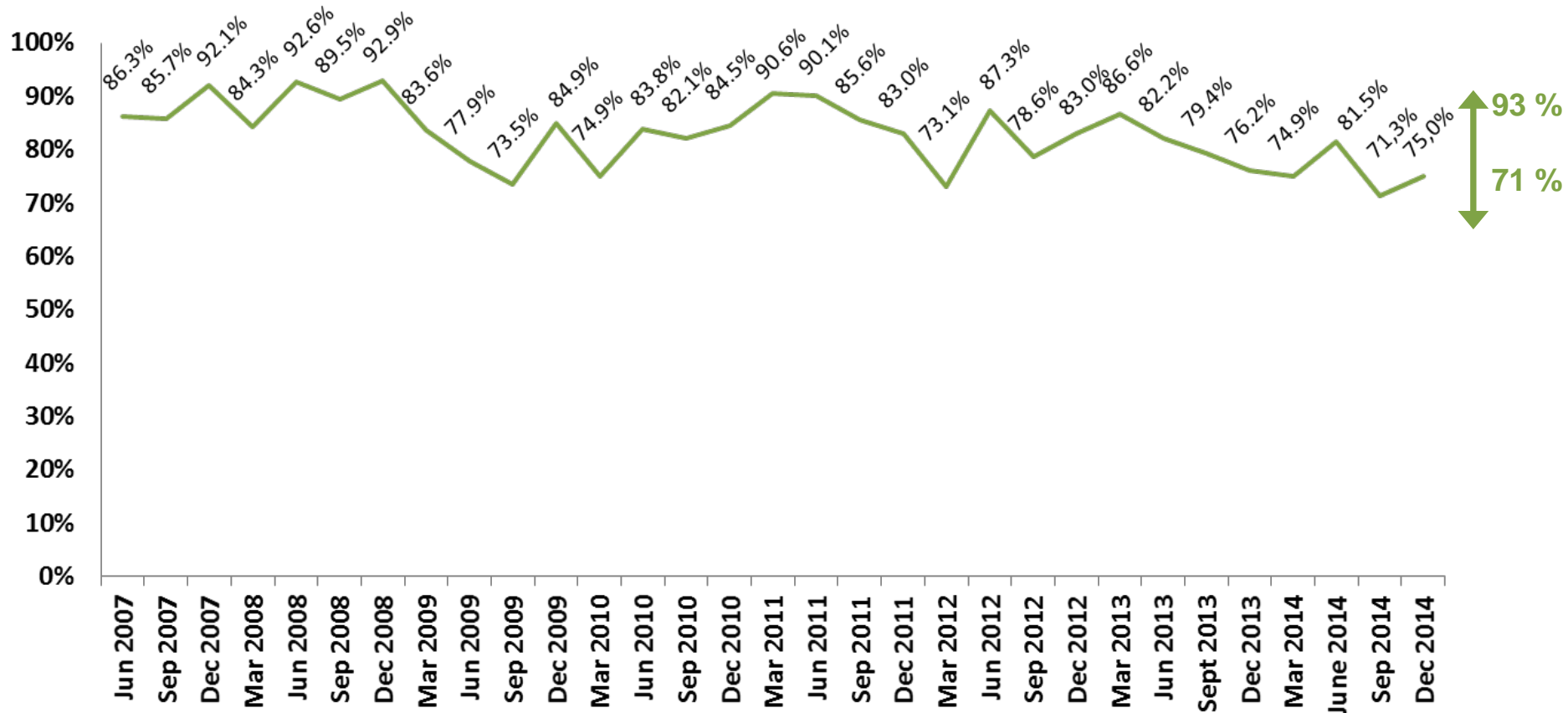
→ Very high and stable occupancy rates

\*Definition Total portfolio (excl. furnished apartments) : (contractual + guaranteed rents) / (contractual rents + ERV for unlet spaces)



# Occupancy rate

Furnished apartments\* (6 % of portfolio)

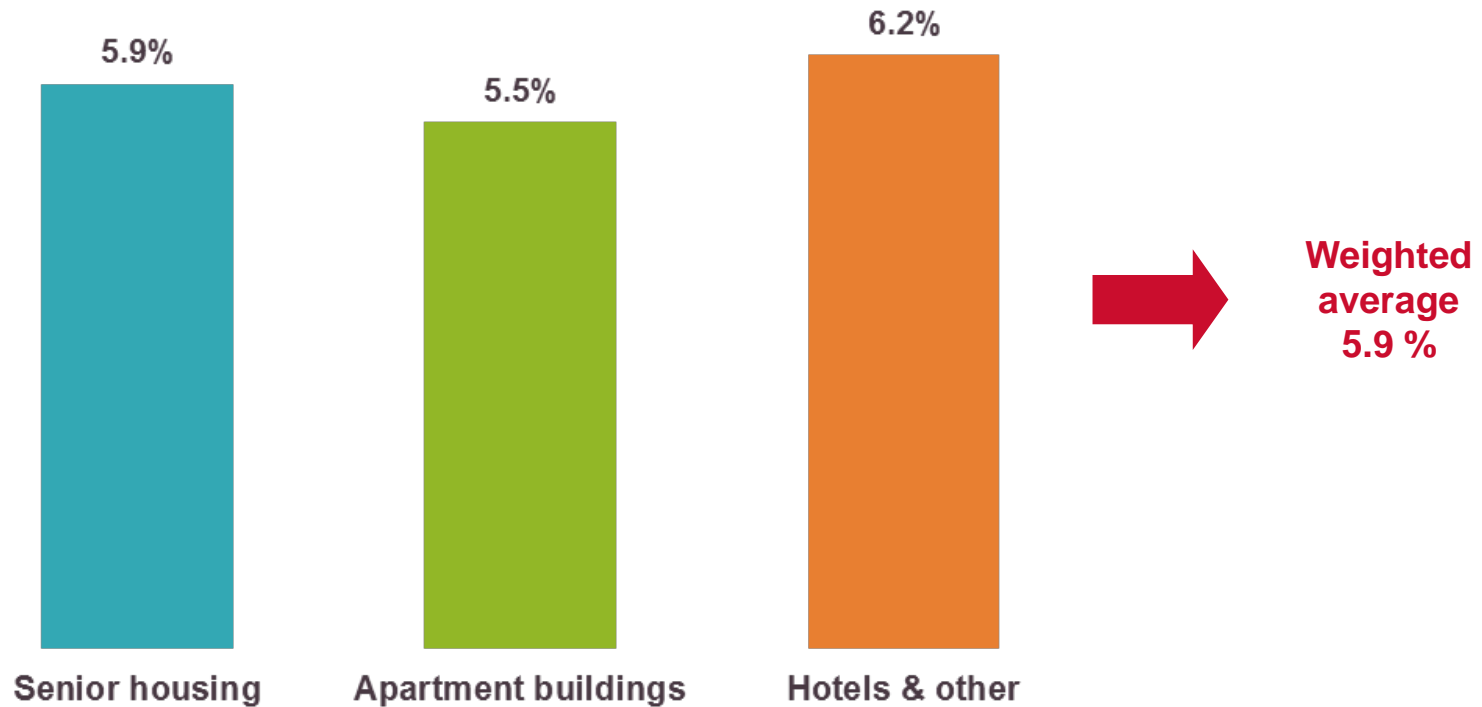


→ Volatility due to short-term contracts

\* Definition Furnished : rented days QTD / total number of days QTD. YTD Dec. 2014: 73.2 %; YTD June 2014: 78.0 %; YTD Dec. 2013: 77.8 %.

# Yields on fair value

(As of 31 December 2014)



# Segment EBIT margins\*

(As of 31 December 2014)

	 Senior housing	 Apartment buildings	 Hotels & other	Unallocated & inter-segment	TOTAL
FY 2007/2008	100 %	64 %	98 %	-	<b>68 %</b>
FY 2008/2009	100 %	64 %	96 %	-	<b>71 %</b>
FY 2009/2010	100 %	64 %	99 %	-	<b>73 %</b>
FY 2010/2011	100 %	64 %	98 %	-	<b>75 %</b>
FY 2011/2012	100 %	63 %	99 %	-	<b>76 %</b>
FY 2012/2013	100 %	61 %	100 %	-	<b>76 %</b>
FY 2013/2014	100 %	59 %	99 %	-	<b>77 %</b>
H1 2014/2015	100 %	57 %	99 %	-	<b>79 %</b>

→ **Increasing total EBIT margin,  
ahead of budget**

\* EBIT / net rental income

# Valuation of property\*:

## 2008 → 2014

	FY 2008/2009		FY 2009/2010		FY 2010/2011		FY 2011/2012		FY 2012/2013		FY 2013/2014		H1 2014/2015	
	€k	%	€k	%	€k	%	€k	%	€k	%	€k	%	€k	%
Senior housing	13	0%	1,684	1%	6,072	2%	5,991	2%	7,347	2%	5,896	1%	6,388	1%
Apartment buildings	-7,851	-4%	-1,904	-1%	1,552	1%	3,032	2%	-82	0%	-145	0%	231	0%
Hotels & other	-1,415	-4%	-963	-2%	1,191	2%	45	0%	-1,017	0%	-99	0%	118	0%
<b>Total</b>	<b>-9,253</b>	<b>-3%</b>	<b>-1,183</b>	<b>0%</b>	<b>8,815</b>	<b>2%</b>	<b>9,068</b>	<b>2%</b>	<b>6,248</b>	<b>1%</b>	<b>5,652</b>	<b>1%</b>	<b>6,737</b>	<b>1%</b>

Limited decrease → Resilience → Increase → Increase → Increase → Increase → Increase

→ Low volatility since July 2008

→ Positive trends since Jan. 2010

\* Excluding initial FV of acquisitions, and excluding MTM on development projects.

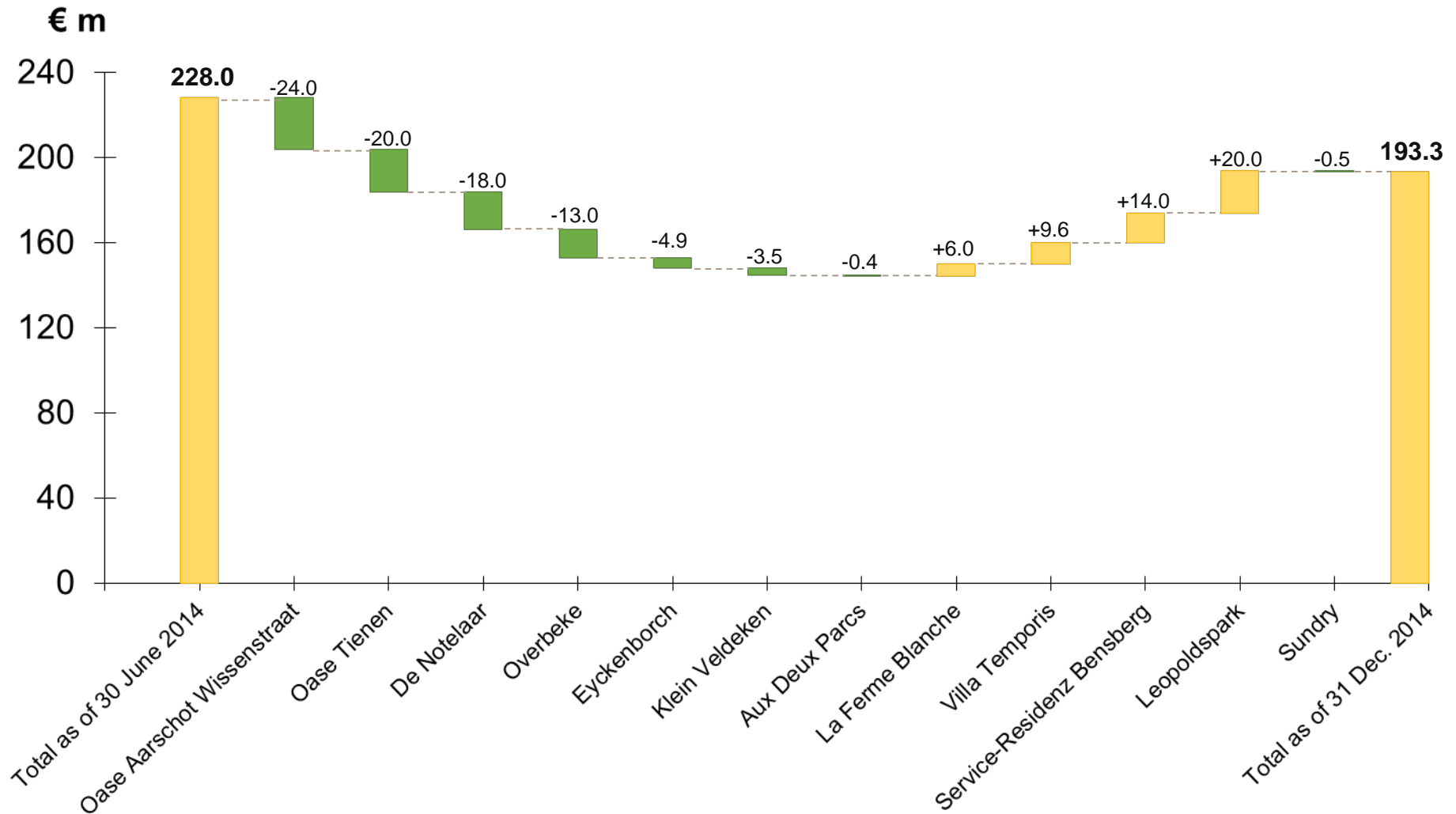
# Development projects

(As of 31 December 2014)

Projects and renovations		Estimated inv.	Inv. as of 31 Dec. 2014	Future inv.	Date of completion	Comments
<b>(in €million)</b>						
<b>I. In progress</b>						
Residentie Sporenpark	Beringen	17.4	12.3	5.1	2014/2015	Construction of a new rest home
Rue Haute	Brussels	1.9	1.6	0.3	2014/2015	Renovation of an apartment building
Sundry	Sundry	2.4	2.0	0.4	2014/2015	Renovation of 2 buildings
Martin's Brugge	Brugge	1.2	0.8	0.4	2014/2015	Partial renovation of a hotel
Salve	Brasschaat	2.4	1.4	1.0	2015/2016	Renovation and redevelopment of a rest home
't Hoge	Kortrijk	4.9	2.5	2.4	2015/2016	Extension and renovation of a rest home
Helianthus	Melle	3.4	0.3	3.1	2015/2016	Extension of a rest home
Pont d'Amour	Dinant	7.9	4.5	3.4	2015/2016	Extension of a rest home
Marie-Louise	Wemmel	3.2	0.1	3.1	2015/2016	Renovation and reconversion into assisted-living apartments
Villa Temporis	Hasselt	9.6	1.5	8.1	2016/2017	Extension and renovation of a rest home
Au Bon Vieux Temps	Mont-Saint-Guibert	9.8	0.4	9.4	2016/2017	Construction of a rest home
Op Haanven	Veerle-Laakdal	2.9	0.0	2.9	2016/2017	Extension and renovation of a rest home
Aux Deux Parcs	Jette	1.9	0.0	1.9	2017/2018	Extension of a rest home
Air du Temps	Chênee	5.8	0.2	5.6	2017/2018	Extension and renovation of a rest home
Plantijn	Kapellen	7.6	0.0	7.6	2018/2019	Extension and renovation of a rest home
<b>II. Subject to outstanding conditions</b>						
La Ferme Blanche	Remicourt	6.0	0.0	6.0	2016/2017	Extension and renovation of a rest home
Résidence du Lac	Brussels	5.0	0.0	5.0	2016/2017	Construction of an apartment building
Huize Lieve Moenssens	Dilsen-Stokkem	7.0	0.0	7.0	2016/2017	Extension and renovation of a rest home
Oase Binkom	Binkom	2.2	0.0	2.2	2016/2017	Extension of a rest home
Résidence Cheveux d'Argent	Spa	3.0	0.0	3.0	2017/2018	Extension of a rest home
Tervuren	Tervuren	24.0	0.0	24.0	2017/2018	Construction of a new rest home
<b>III. Land reserves</b>						
Terrain Bois de la Pierre	Wavre	1.8	1.8	0.0	-	Land reserve
Platanes	Brussels	0.2	0.2	0.0	-	Land reserve
<b>IV. Acquisitions subject to outstanding conditions</b>						
Service-Residenz Schloss Bensberg	Bensberg	14.0	0.0	14.0	2014/2015	Acquisition of an assisted-living complex
Leopoldspark	Leopoldsborg	20.0	0.0	20.0	2015/2016	Construction of a new rest home
Projets Oase	Aarschot & Glabbeek	27.8	0.0	27.8	2015-2017	Construction of 2 new rest homes
<b>Total</b>		<b>193.3</b>	<b>29.6</b>	<b>163.7</b>		
Capitalised costs		-	0.9	-		
Minor ongoing renovations		-	0.8	-		
Changes in fair value		-	-0.9	-		
Roundings		-	-0.3	-		
<b>On balance sheet</b>			<b>30.1</b>			

→ Pre-let : 95 %

# Development projects



# Financials



# Income Statement

## Business driven

Income Statement - analytical scheme (x €1,000)	31 December 2014	31 December 2013	Var.
Rental income	22,914	19,453	+18%
Rental-related charges	-5	-45	
Net rental income	22,909	19,408	+18%
Operating charges	-4,910	-4,520	
Operating result before result on portfolio	17,999	14,888	+21%
EBIT margin %	79%	77%	
Financial result excl. IAS 39	-6,055	-5,579	
Current tax	-151	-62	
<b>Profit excl. IAS 39 &amp; IAS 40</b>	<b>11,793</b>	<b>9,247</b>	<b>+28%</b>

**Result excl. IAS 39 & IAS 40:**  
**€11.8 m, +28 % YoY, ahead of budget**

**Excl. non-recurring income arising from partial demerger:**  
**€11.4 m, +23 % YoY, ahead of budget**

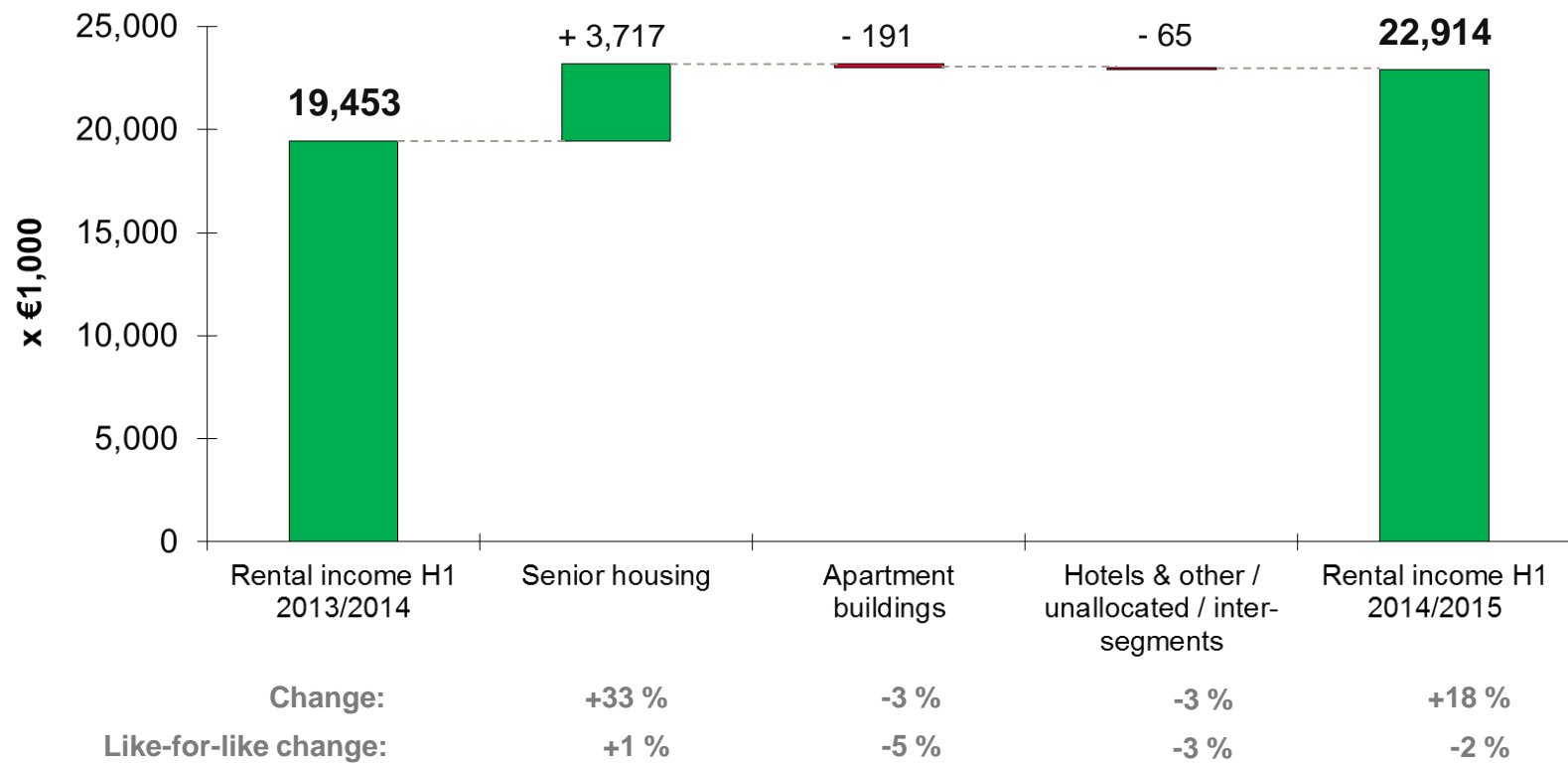


# Income Statement

## Business driven

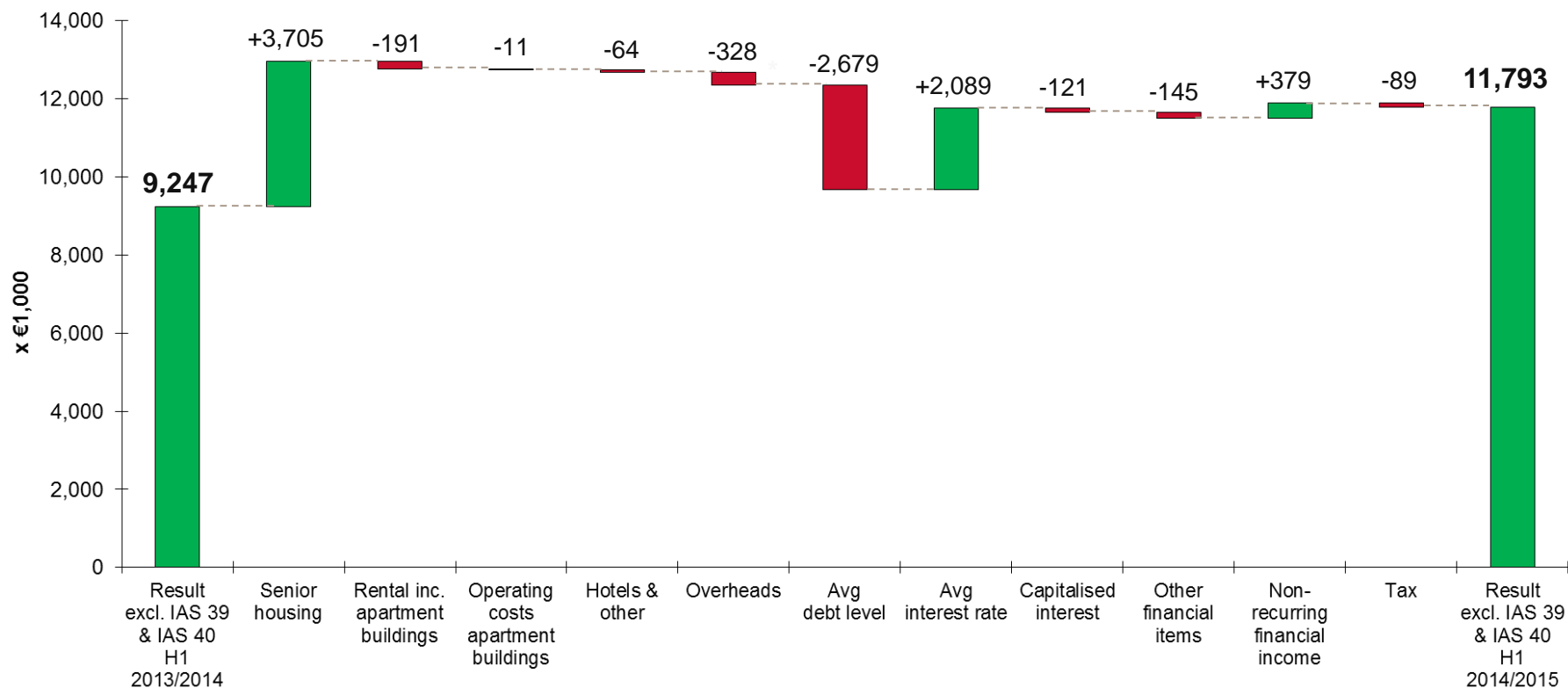
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<b>Profit excl. IAS 39 &amp; IAS 40</b>	<b>11,793</b>	<b>9,247</b>	<b>+28%</b>
Weighted average number of shares outstanding (IAS 33)	10,363,753	9,903,148	
Result per share excl. IAS 39 & IAS 40 (€/share)	1.14	0.93	+23%

# Rental income

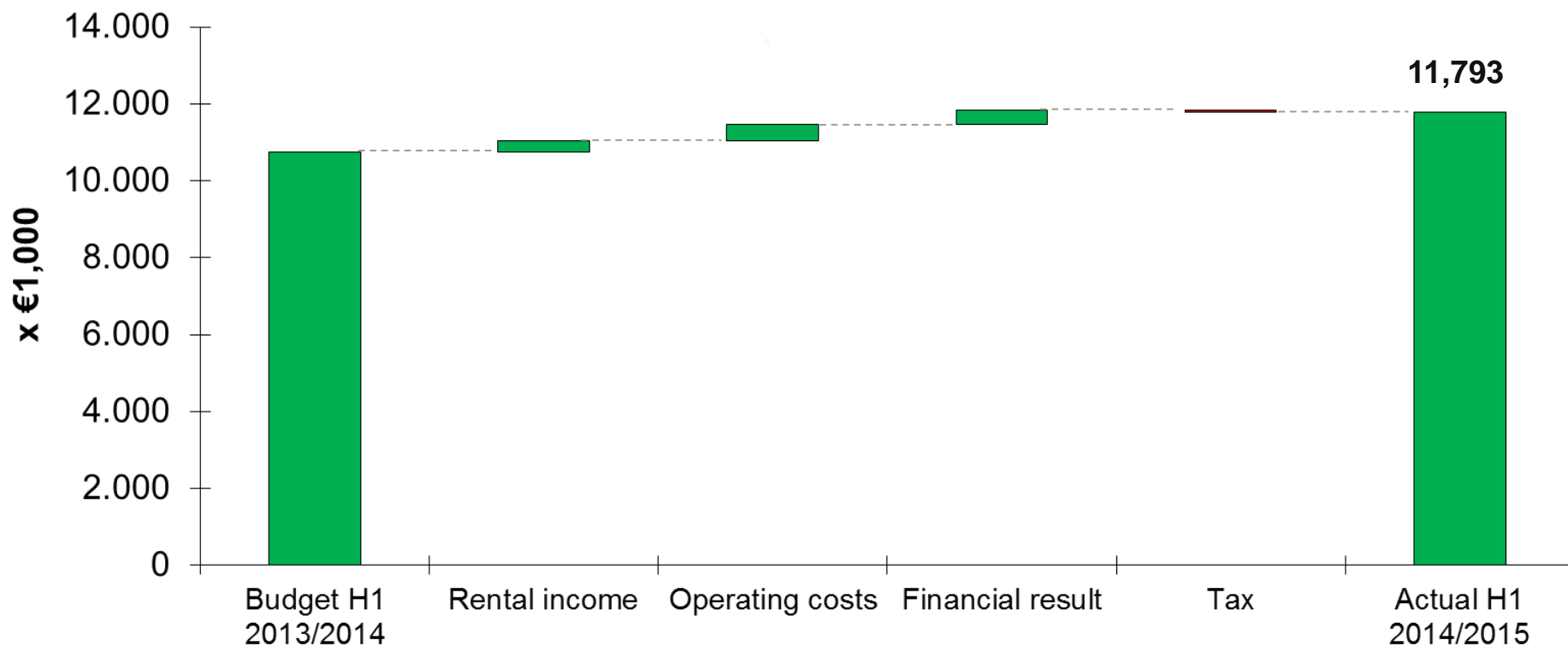


**18 % increase YoY**

# Result excl. IAS 39 & IAS 40



# Result excl. IAS 39 & IAS 40 vs budget



# Income Statement

## Market driven

### Income Statement - analytical scheme (x €1,000)

	31 December 2014	31 December 2013
Profit excl. IAS 39 & IAS 40	11,793	9,247
IAS 39 impact: changes in fair value of financial instruments	-3,294	926
IAS 40 impact: changes in fair value of investment properties	12,722	990
IAS 40 impact: gains on disposals of investment properties	0	0
IAS 40 impact: deferred taxes	-116	193
<b>Profit (o.p.)</b>	<b>21,105</b>	<b>11,356</b>
Weighted average number of shares outstanding (IAS 33)	10,363,753	9,903,148
Net result per share (g.s. - IAS 33 - €/share)	2.04	1.15

} Non cash

# Hedging policy

(As of 31 December 2014)

- Economic **stability and foreseeability** of interest cash outflows...

## **Business driven:**

Avg effective interest rate of 3.2 %, lower than H1 PY (4.3 %)

- ... even in spite of accounting volatility

## **Market driven:**

Change in FV of derivatives (non cash items) under IAS 39 in 2014/2015:

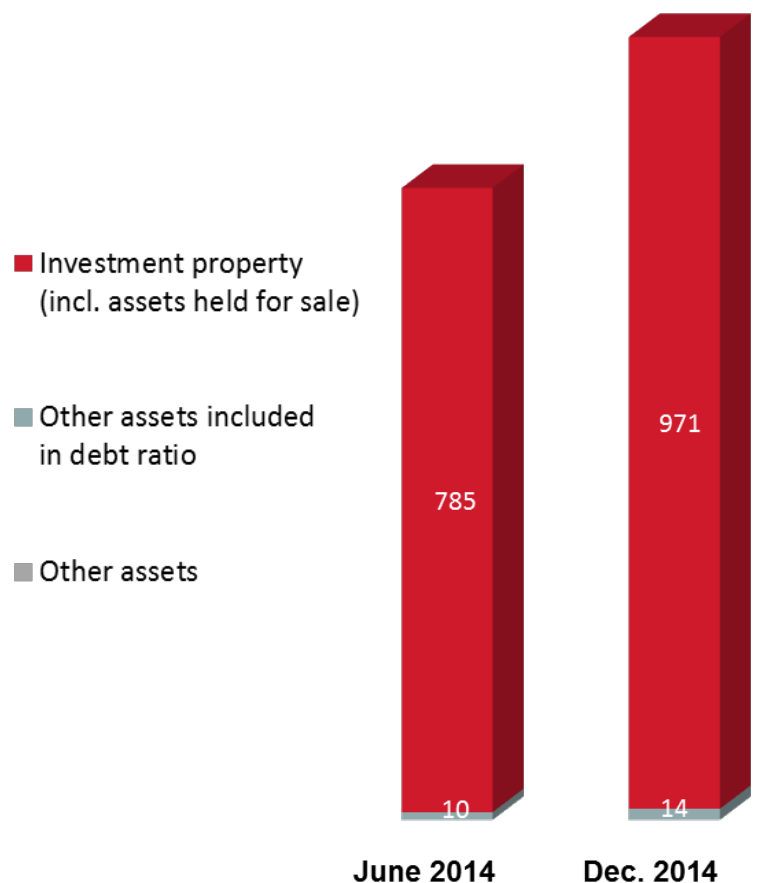
-€3,286k in result (vs. +€926k in H1 PY)

-€3,432k in equity (vs. +€1,493k in H1 PY)

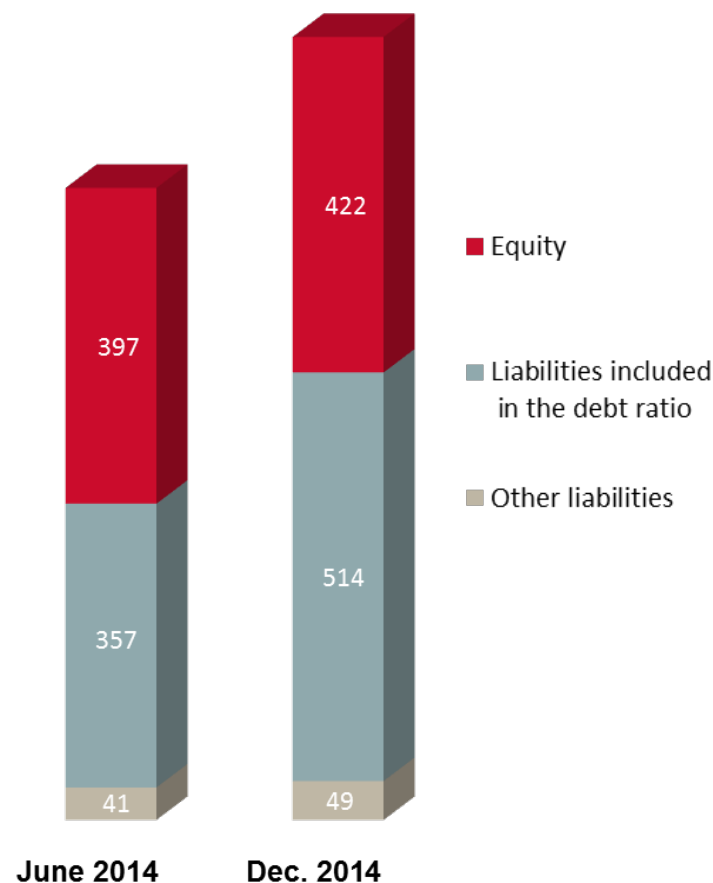
# Consolidated balance sheet (€m)

(As of 31 December 2014)

## Assets

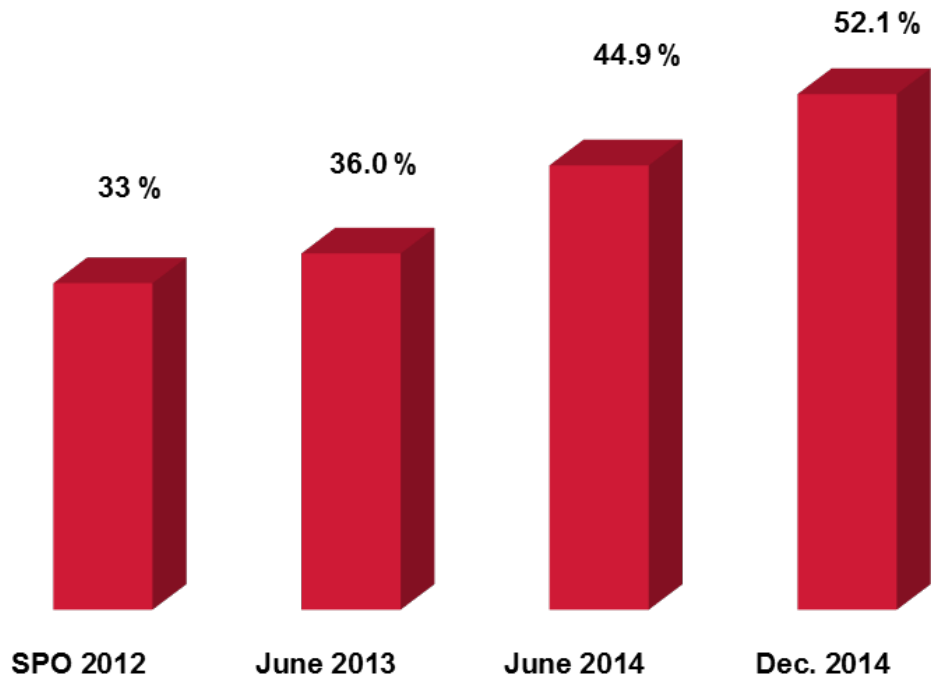


## Equity & Liabilities



# Debt-to-assets ratio

(As of 31 December 2014)



## Headroom\* :

- Debt increase of €77 m without investments or €193 m with investments
- Drop of MTM of buildings of 13 %

\* Based on bank covenant of max. 60 %. Based on legal max. of 65 %, headroom is respectively €126 m, €362 m and 20 %.



# Credit facilities

(As of 31 December 2014)

## Credit facilities

Maturity	Amount (€m)
2014/2015	0
2015/2016	85
2016/2017	150
2017/2018	92
2018/2019	102
2019/2020	80
2020/2021	2
2021/2022	25
> 2022/2023	15
<b>Total credit facilities</b>	<b>551</b>

→ No credit facility maturing before 30 June 2015

# Net asset value

Net asset value per share (in €)	31 Dec. 2014	30 June 2014	Var.
<b>Based on fair value of investment properties</b>			
Net asset value based on fair value	38.63	36.84	5%
IAS 39 impact	<u>4.11</u>	<u>3.73</u>	
<b>Net asset value after deduction of dividend, excl. IAS 39</b>	<b>42.74</b>	<b>40.57</b>	<b>5%</b>

**Premium on 23 Feb. 2015:**  
**55 % vs NAV at FV incl. IAS 39**  
**40 % vs NAV at FV excl. IAS 39**

# Number of shares

Number of shares	31 December 2014	30 June 2014
Number of shares outstanding*	10,924,613	10,249,083
Total number of shares	10,924,613	10,249,117
Total number of shares on the stock market	10,924,613	10,162,165
Weighted average number of shares outstanding (IAS 33)	10,363,753	9,917,093
Number of dividend rights expected at the end of the financial year**	10,924,613	10,249,083

\* After deduction of the treasury shares.

\*\* Based on the rights to the dividend for the shares issued during the year.

# Value potentially not reflected in the NAV

- Belgian REIT → highly regulated framework
- Assessment:
  - Apartment buildings: valued as a whole vs individual units
  - Senior housing: yield compression
  - Inflation-linked contracts
- Capital gains potential
- Pipeline:
  - Committed
  - Pre-let
- Track record of successful investments
- Track record of successful financing (equity and debt)

## — Aedifica included in the EPRA indices

### Key performance indicators according to the EPRA principles

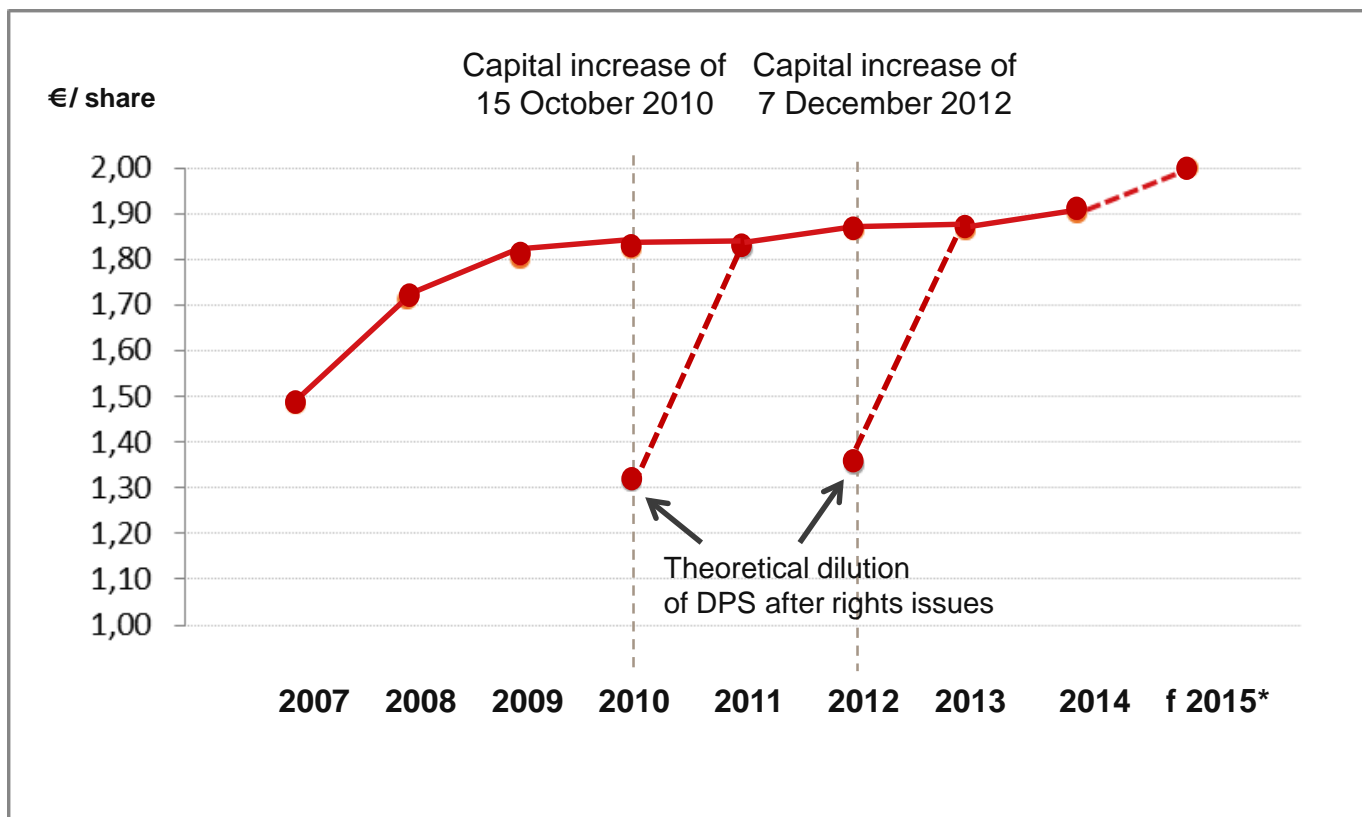
	31 December 2014	31 December 2013
EPRA Earnings (in €/share)	1.14	0.93
EPRA Cost Ratio (including direct vacancy costs) (in %)	21	23
EPRA Cost Ratio (excluding direct vacancy costs) (in %)	21	23
	31 December 2014	30 June 2014
EPRA NAV (in €/share)	42.88	40.54
EPRA NNNNAV (in €/share)	38.34	36.61
EPRA Net Initial Yield (NIY) (in %)	5.2	5.2
EPRA Topped-up NIY (in %)	5.2	5.2
EPRA Vacancy Rate (in %)	2	2



# Shares & shareholders



# Dividend track record



\* 2014/2015 forecast dividend (see section 7 of the Interim Board of Directors' Report included in the 2014/2015 Half Year Financial Report)

# Share price since IPO

(As of 20 February 2015)



Aedifica: based on the IPO price (€41), adjusted to take into account the rights issues of 2010 (- €1.89) and 2012 (- €1.93), i.e. an adjusted IPO price of €37.18.



# Total return since IPO

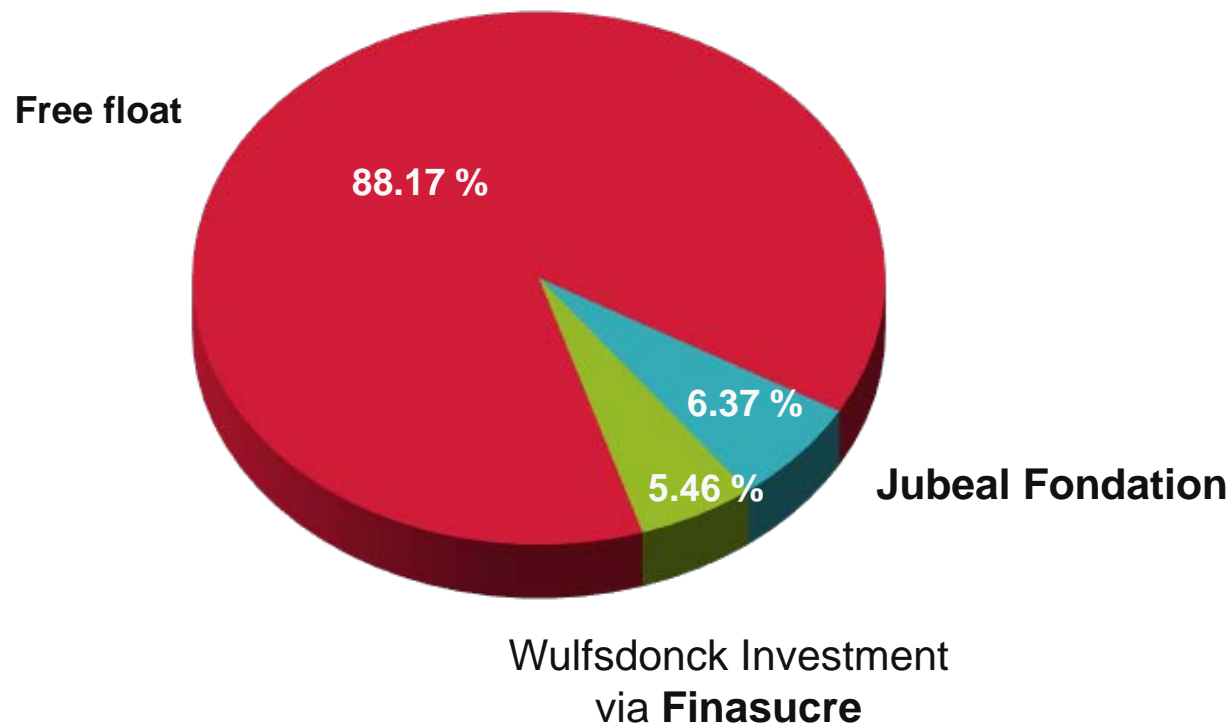
(As of 20 February 2015)



Aedifica: based on the IPO price (€41), adjusted to take into account the rights issues of 2010 (- €1.89) and 2012 (- €1.93), i.e. an adjusted IPO price of €37.18.

# Shareholding\*

(Since 15 October 2010)



\* A total of 10,924,613 shares are listed on Euronext Brussels as of 31 December 2014.

- 2<sup>nd</sup> highest free float of all Belgian REITs<sup>1</sup>
- 4<sup>th</sup> largest liquidity amongst all Belgian REITs<sup>1</sup>  
(Daily average: €490k at the end of February 2015;  
€230k at the end of June 2012 before capital increase of Dec. 2012)
- 4<sup>th</sup> largest Belgian REIT in terms of fair value<sup>1</sup>
- 4<sup>th</sup> largest market cap amongst all Belgian REITs<sup>1</sup>
- Top 5 investor in rest homes in Germany<sup>2</sup>
- 8<sup>th</sup> largest real estate portfolio in Belgium<sup>3</sup> (36<sup>th</sup> in 2006)

<sup>1</sup> Based on February 2015 “Belgian RREC Overview” by Bank Degroof

<sup>2</sup> According to Care-Invest at Altenheim Expo (Berlin) in July 2014

<sup>3</sup> Investors Directory 2015, Expertise BVBA edited in January 2015

# Awards: EPRA

- “EPRA Reporting: Best Practices Recommendations” (BPR)
- Annual Report 2012/2013
  - 1<sup>st</sup> implementation of BPR
  - Silver Award
    - For annual reports scoring highly based on compliance with the BPR
  - Most Improved Award
    - For companies that have outstandingly improved the compliance of their reporting with the BPR



























- Annual Report 2013/2014
  - 2<sup>nd</sup> implementation of BPR (incl. EPRA Cost Ratios)

# Awards: ABAF/BVFA

- Belgian Association of Financial Analysts
- 54<sup>st</sup> Award for Financial Communication
- Small & Mid Cap ranking
  - 1<sup>st</sup> place in the Investor Relations category
  - 2<sup>nd</sup> place overall
  - 5<sup>th</sup> in the Non Financial Information
- Bel 20 and Small & Mid Cap ranking

PRIX DE LA MEILLEURE COMMUNICATION FINANCIÈRE, DÉCERNÉ PAR LES ANALYSTES

Prix de la meilleure communication financière	Meilleure information non-financière	Meilleure information financière	Meilleures relations avec les investisseurs	Meilleur Small & Mid Cap
1  SOLVAY	1  apax	1  SOLVAY	1  SOLVAY	1  FAGOS
2  ABInBev	2  KBC	2  ABInBev	2  ABInBev	2  aedifica
3  KBC	3  ABInBev	3  telenor	3  aedifica	3  RIEP
4  apax	4  Belimmo	4  apax	4  umicore	4  nyrstar
5  uch	5  SOLVAY	5  KBC	5  Gimv	5  Ablynx

L'Echo, 17 October 2014, p. 32

## — Transparency

- ✓ NV/SA
- ✓ Management in the box
- ✓ Belgian Code 2009 on Corporate Governance

## — Board of Directors

- ✓ 10 Directors
  - 8 non-executive Directors of which 5 independent ones
  - 2 executive Directors
- ✓ Audit Committee
- ✓ Nomination & Remuneration Committee
- ✓ Investment Committee

# Outlook



## — Focus on investments

- **Development pipeline:** deliveries (Sporenpark)
- **New investments in senior housing:**
  - Germany: targets being studied
  - Belgium: targets being studied

## — Divestments:

- **Apartments:** threshold of 80 % residential investments to be achieved in 2015 (current level > 80 %)
  - limited room for divestments
- **Hotels:** non core

## — **DPS guidance increased:** €2.00/share, higher than PY and budget



# Outlook for medium term

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- **Objective for future investments:**
  - Enhancing long-term cash flows in senior housing
  - Growing in the German market
  - Opportunistic value-driven investments  
(focus on apartments in major Belgian cities)
  - Exploring new segments
- **Maintaining sound balance sheet**
- **> €1 billion portfolio**

# Conclusion



## Attractiveness for shareholders:

- Strong underlying demographic trends
- Diversification: fair value history of portfolio showing resilience and long term growth potential
- Average remaining lease duration: 20 years
- Investment, equity and debt-financing track record
- Dividend track record

**Stefaan Gielens** - Chief Executive Officer

**Jean Kotarakos** - Chief Financial Officer

**Martina Carlsson** - Control & Communication Manager



## **Aedifica SA/NV**

Public REIT under Belgian Law  
Regulated Real Estate Company (RREC)  
Société immobilière réglementée (SIR)  
Geregulementeerde vastgoedvennootschap (GVV)

Avenue Louise 331  
1050 Brussels

Tel: +32 (0)2 626 07 70 - Fax: +32 (0)2 626 07 71

[info@aedifica.be](mailto:info@aedifica.be)

[www.aedifica.be](http://www.aedifica.be)



# Forward looking statement

*To the extent that any statements made in this presentation contain information that is not historical, these statements are essentially forward-looking. The achievement of forward-looking statements contained in this presentation is subject to risks and uncertainties because of a number of factors, including general economic factors, interest rate and foreign currency exchange rate fluctuations; changing market conditions, product competition, the nature of product development, impact of acquisitions and divestitures, restructurings, products withdrawals; regulatory approval processes and other unusual items. Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects," "plans," "will," "believes," "may," "could" ,"estimates", "intends", "targets", "objectives", "potential", "outlook", and other words of similar meaning. Should known or unknown risks or uncertainties materialize, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly update any forward-looking statements. This presentation is directed to financial analysts and institutional investors and is not to be considered as an incentive to invest or as an offer to acquire shares. The information herein is extracted from the Company annual and half-year reports and press releases but does not reproduce the whole content of these documents. Only the French annual and half-year report and press releases form legal evidence.*



# Appendix



- **“sicafi / vastgoedbevak”** until 17 October 2014
- **RREC (SIR / GVV)** since 17 October 2014
- **Investment property:** maximum 20 % in one (group of) asset(s)
- **Appraisal:**
  - At fair value on a quarterly basis by an independant expert
  - No depreciation of properties
- **Dividend: at least 80 % of cash flow paid out as dividend**
- **Debt-to-assets ratio: limited to 65 % (bank covenant: 60 %)**
- **Tax status:**
  - Exit tax
  - Limited corporate tax in Belgium for parent company
  - Withholding tax for residential REITs at 15 %



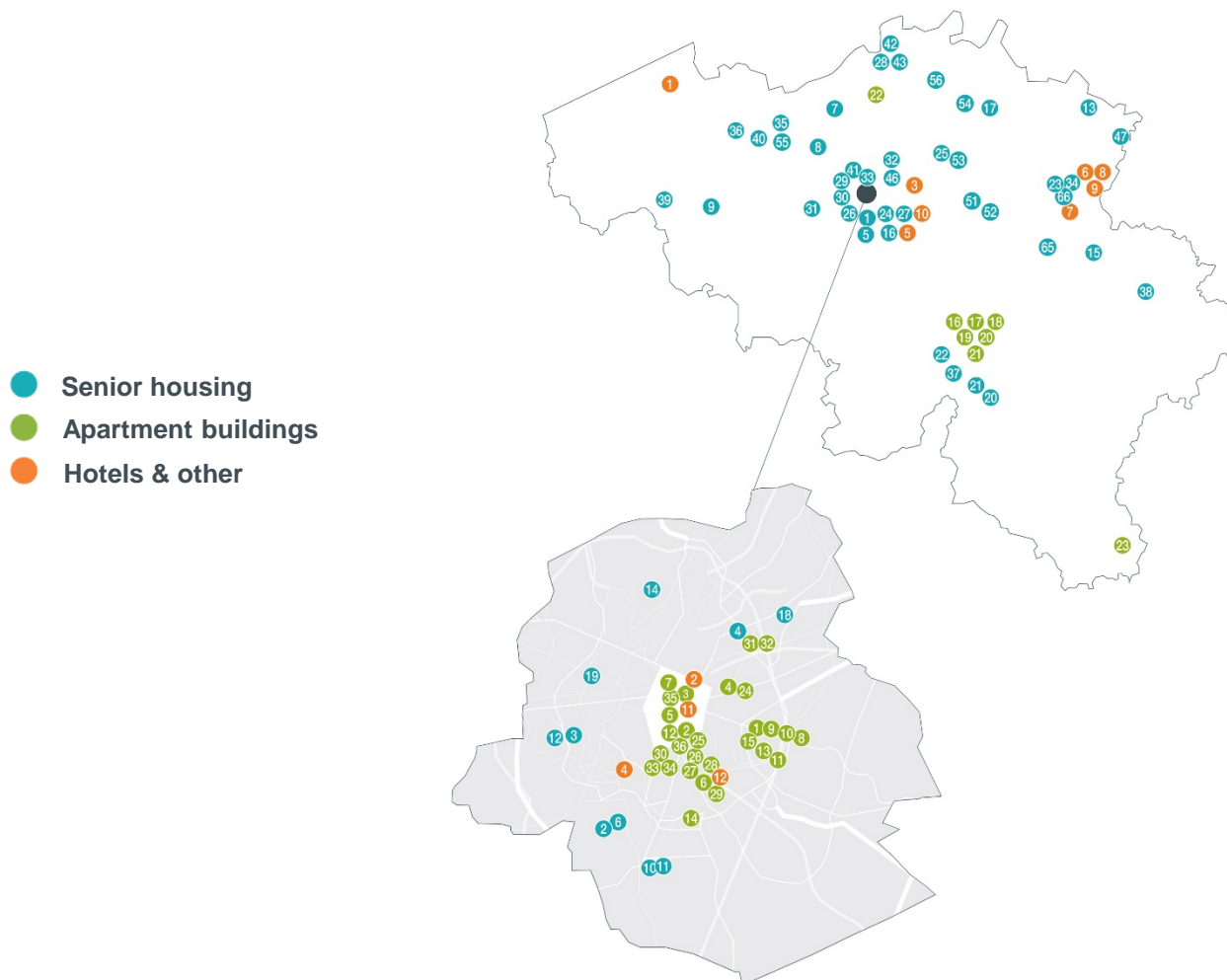
## — Definition

- Right known as “emphythéose/erfpacht” in Belgium:
  - Real estate contract
  - Temporary right for tenant to fully make use of the building
  - Term between 27 and 99 years, irrevocable
- Usual additional contractual provision
  - The tenant incurs operating charges, R&M and vacancy risk
  - Yearly indexation (full CPI or health CPI)

# Geographical breakdown

## Belgium

(As of 31 December 2014)

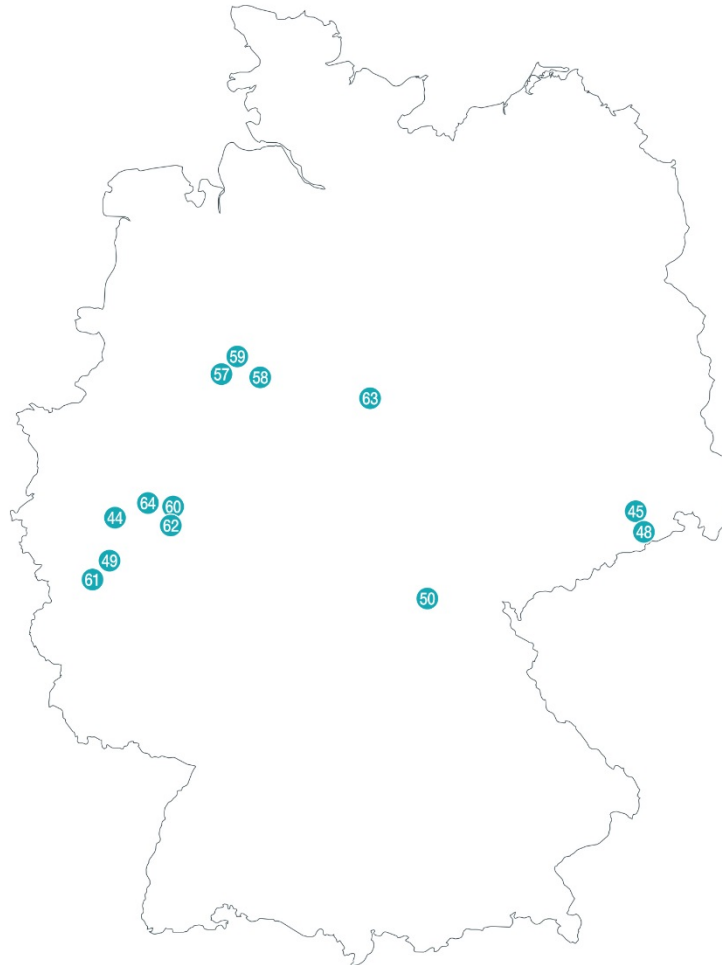


# Geographical breakdown

## Germany

(As of 31 December 2014)

- Senior housing
- Apartment buildings
- Hotels & other



# Notes

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# Notes

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# Notes

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