

aedifica  
The urban way to live

# 3<sup>rd</sup> Quarter Results 2014/2015

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31 March 2015



Brussels, 12 May 2015

# Table of contents

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- Highlights Q3 2014/2015
- Strategy
- Achievements
- Portfolio analysis
- Financials
- Shares & shareholders
- Outlook
- Conclusion

# Highlights Q3 2014/2015



# Highlights

Q3 2014/2015 (1)



(As of 31 March 2015)

- **2 additions** since 1 January 2015, 1 in Belgium and 1 in Germany
- **Senior housing:** 70 % of the portfolio
- **German portfolio:** > €100 m, 12 % of total portfolio
- **Occupancy rate:** 98.0 % for the unfurnished portfolio and 76.8 % for furnished apartments
- **Rental income:** +22 % YoY, ahead of budget

# Highlights

Q3 2014/2015 (2)



(As of 31 March 2015)

- **Total fair value investment properties:** €994 m, +€209 m or +27 %, compared to 30 June 2014
- **Positive change of investment properties:** +€16 m (of which €11 m, i.e. +1.1 %, concerning marketable investment properties) compared to 30 June 2014
- **Debt-to-assets ratio:** 52.1 %
- **Dividend forecast:** Confirmed at €2.00 gross per share

# Portfolio

YTD Q3 2014/2015



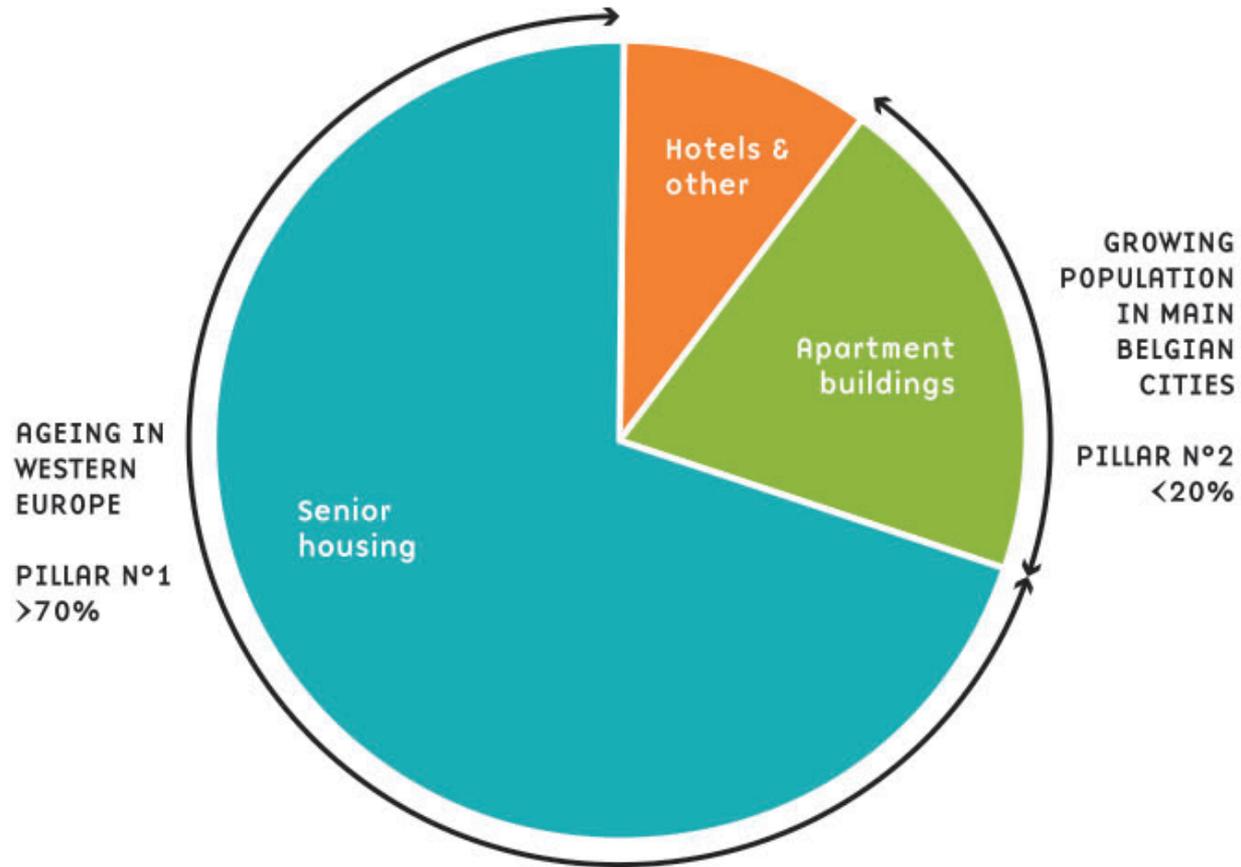
(As of 31 March 2015)

- **Total portfolio outlook: €1,113 m**
  - €990 m (incl. projects on balance sheet, excl. assets held for sale)
  - €123 m (committed investments in pipeline)
- **Average remaining lease maturity: 19 years**

# Strategy

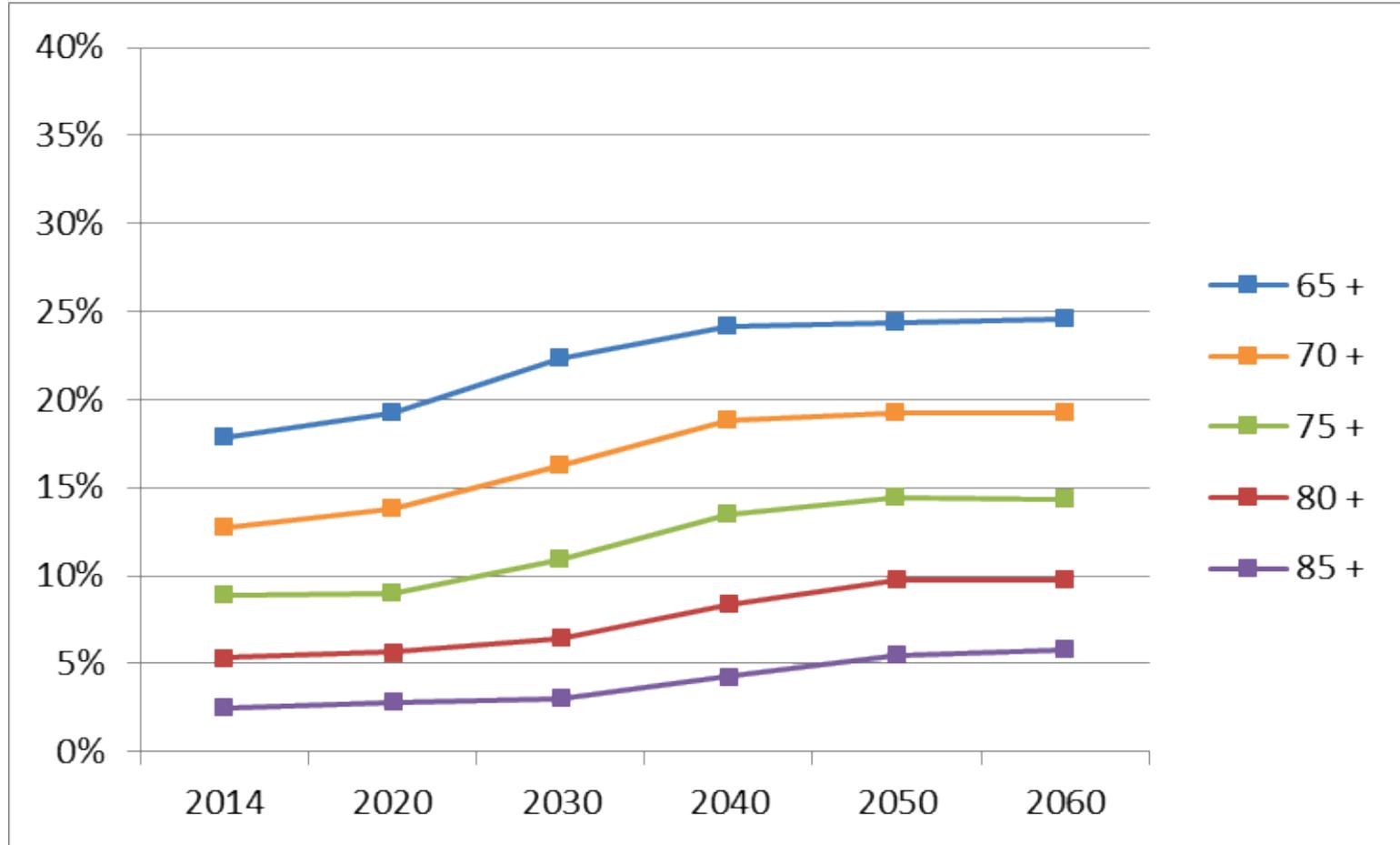


- Belgian REIT (RREC/SIR/GVV)
  - market cap > €650 m
  - free float of 95 %
  - see appendix for characteristics of a Belgian REIT
- Investing in the residential market
  - approx. €990 m investment properties
  - approx. 469,000 m<sup>2</sup>
- Focusing on demographic evolutions
  - Belgium
  - Germany
- Year-end: 30 June
- Withholding tax at 15 %



# Demographic evolution

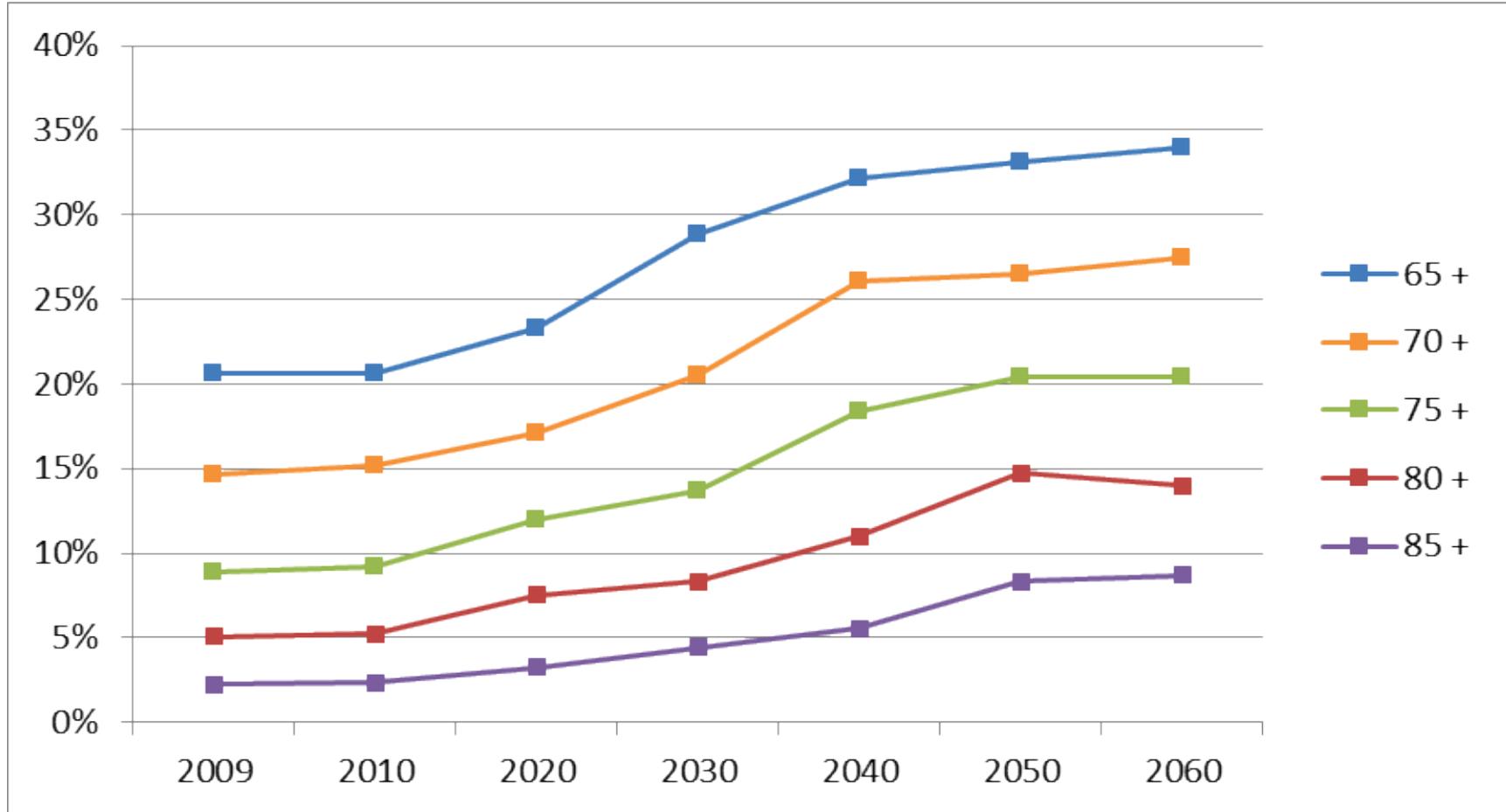
## Ageing in Belgium



Source: "Perspectives de population 2014-2060", Federal Planning Bureau, 2015.

# Demographic evolution

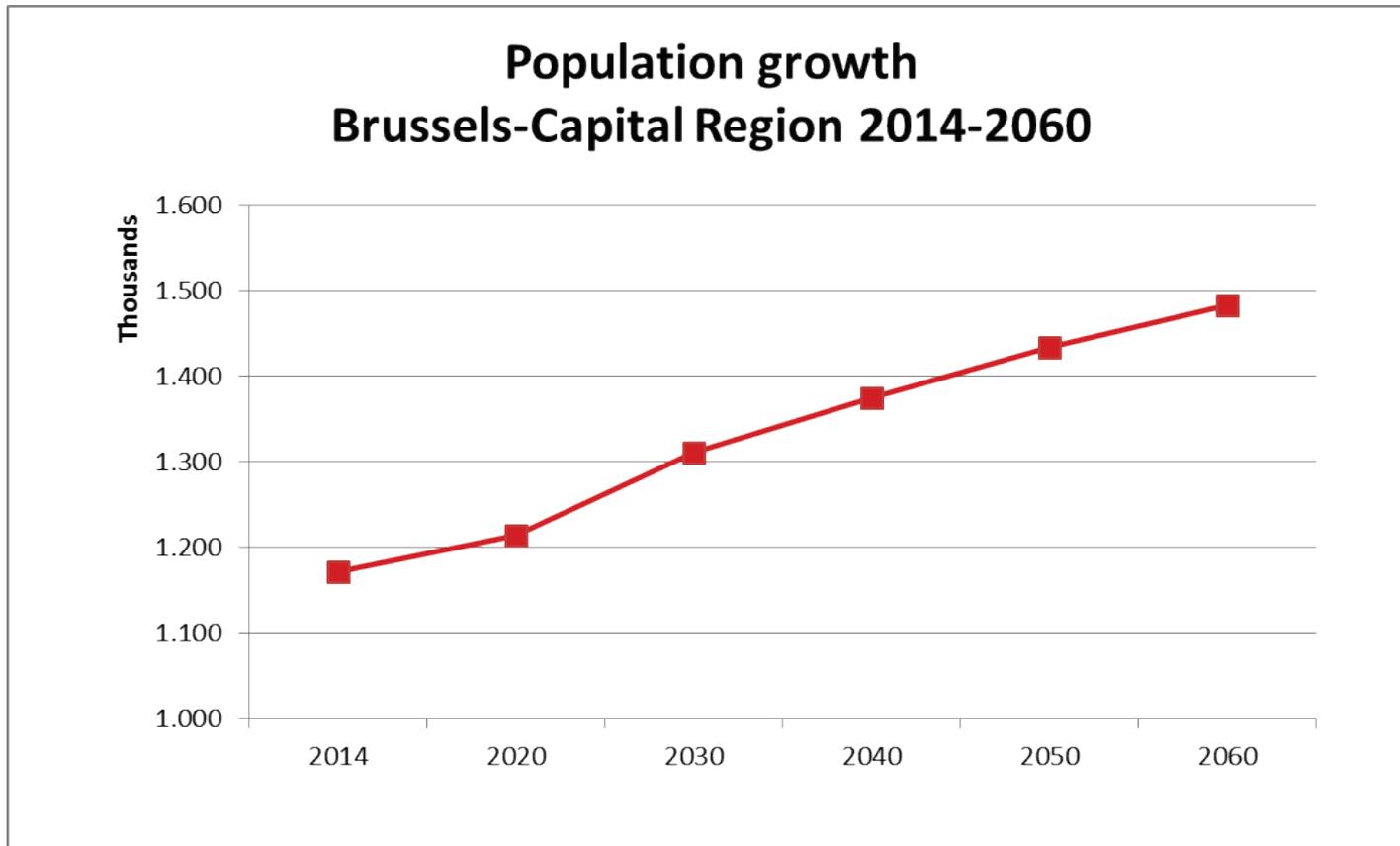
## Ageing in Germany



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

# Demographic evolution

## Growing population - Brussels

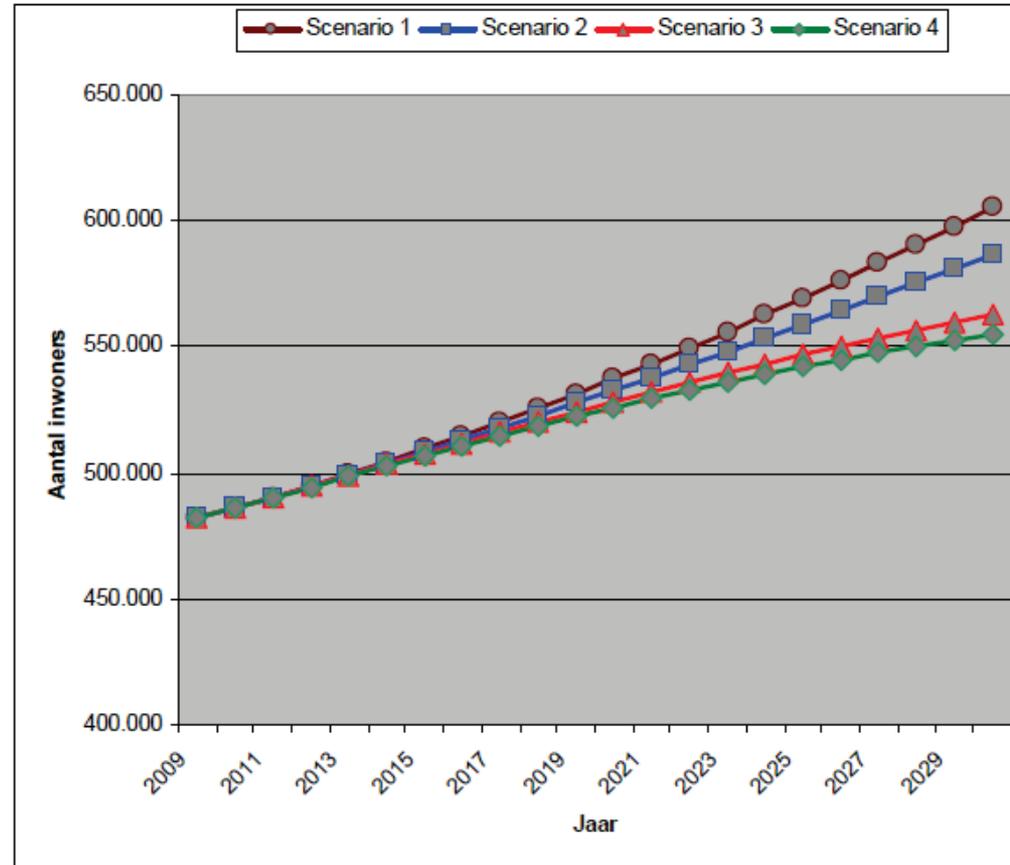


Source: Federal Planning Bureau, 2015.

# Demographic evolution

## Growing population - Antwerp

Grafiek 9: prognose aantal inwoners 2009-2030

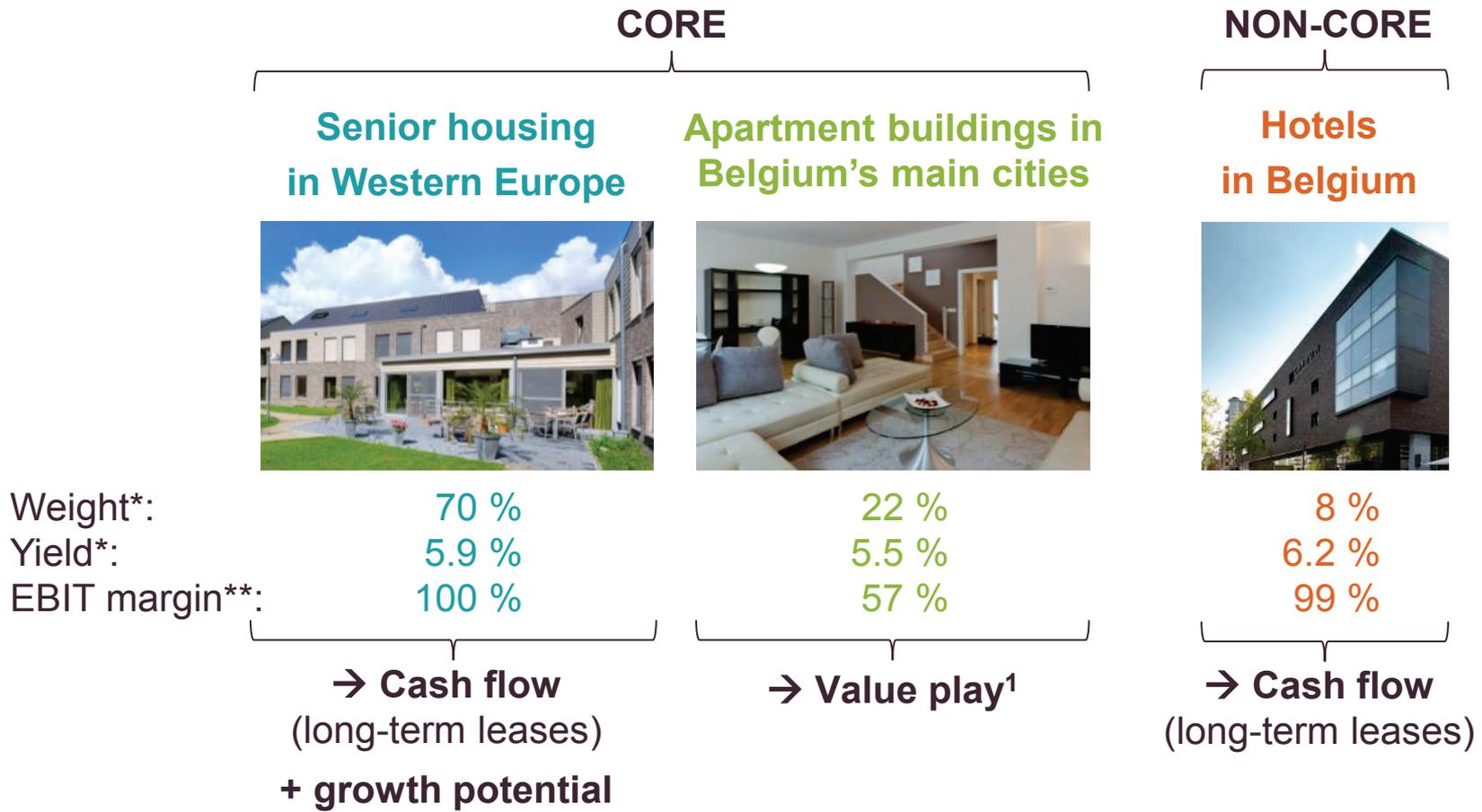


Source: Bevolkingsprognoses Antwerpen 2009-2030 (Stad Antwerpen)

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 March 2015)



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

\* As of 31 March 2015

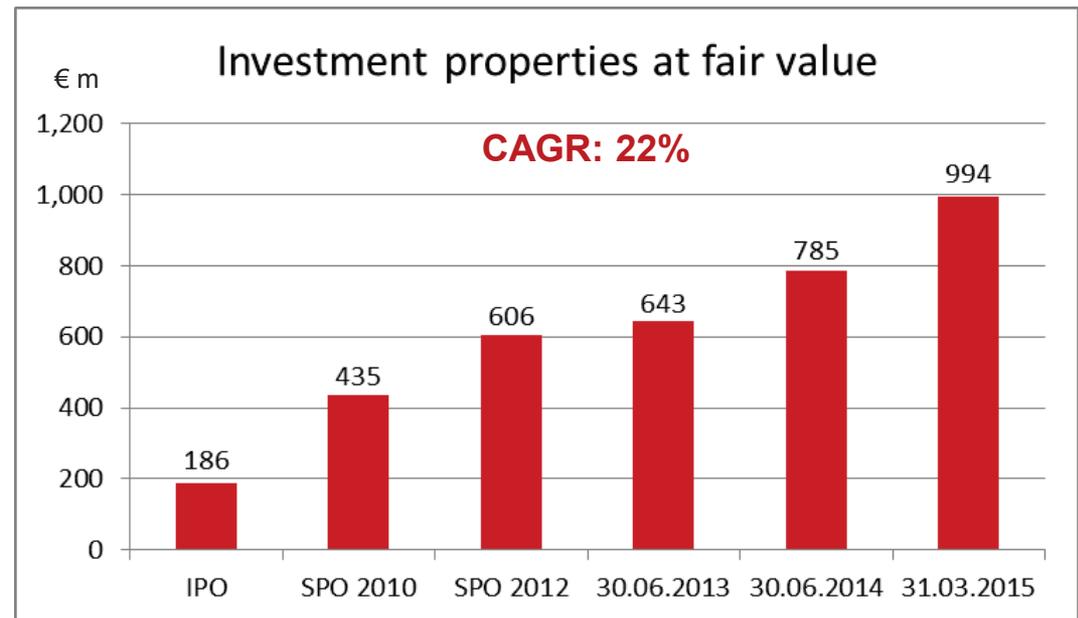
\*\* As of 31 December 2014

# 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)

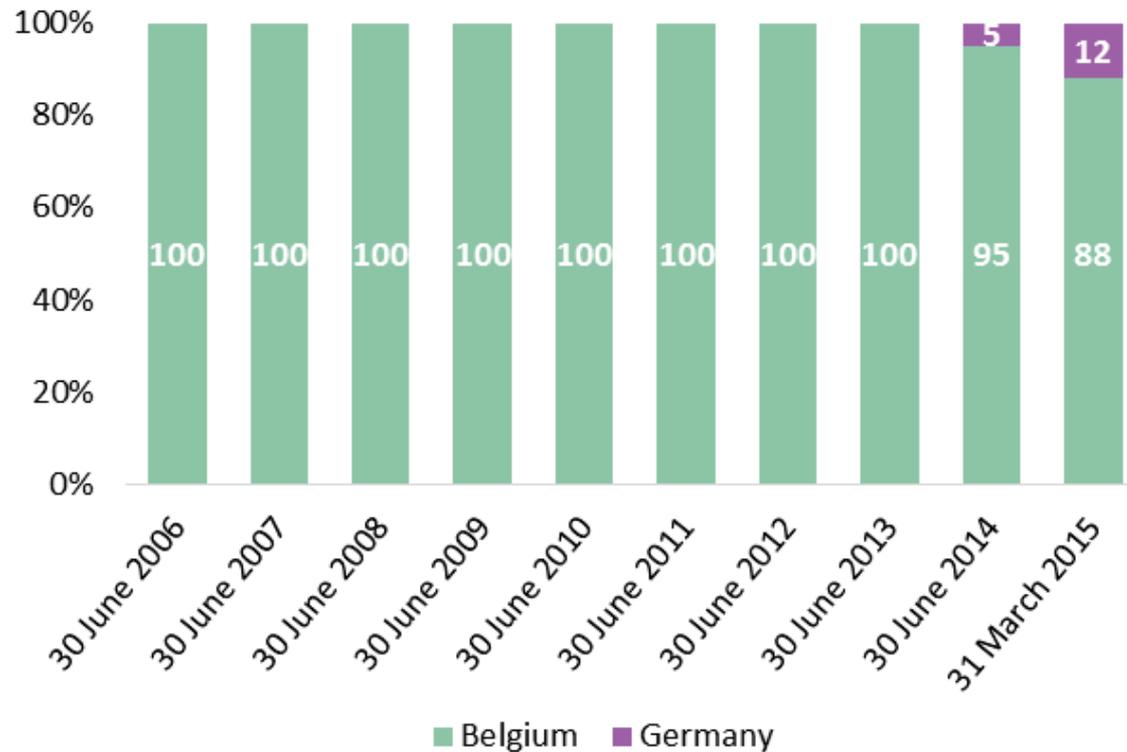
## Evolution by segment (fair value)



Marketable property at fair value (€956 m, incl. assets held for sale)

# Milestones (3)

## Geographical breakdown (fair value)



Marketable property at fair value (€956 m, incl. assets held for sale)

# Equity

Latest SPO (Dec. 2012)

- Reminder: Gross proceeds = €100 m
  
  - Since then, significant growth of investment properties:
    - 30 Sept. 2012: €606 m
    - 30 June 2014: €785 m
    - 31 March 2015: €994 m
- } + €388 m

# Equity

## Optional dividend 2013/2014

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- November 2014
- Successful 1<sup>st</sup> time optional dividend
- 64% of shareholders opted for dividend in new shares
- Approx. €11 m capital increase

# Equity

## Latest contribution in kind



- 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
  - New subsidiary in Germany:  
Aedifica Asset Management GmbH, led by Mr Martin Engel
  - New COO function: Ms Laurence Gacoin
  - New CLO function: Ms Sarah Everaert
  - Management Committee established as of 12 May 2015

<b>Name</b>	<b>Function</b>
Stefaan Gielens	Chief Executive Officer (CEO)
Jean Kotarakos	Chief Financial Officer (CFO)
Laurence Gacoin	Chief Operating Officer (COO)
Sarah Everaert	Chief Legal Officer (CLO) / Secretary-General

# 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 14 assets (13 Pflegeheime + 1 Betreutes Wohnen):
  - Capacity > 1,100 residents
  - Total fair value > €100 million
  - Initial gross rental yield of approx. 7 %
  - Double net long leases
  - Average remaining lease maturity: approx. 24 years
  - 5 tenants (AGO, Volkssolidarität, Senator, Residenz-Gruppe Bremen, Schloss Bensberg Management)

# Investments in Germany (2)

## — Actual German portfolio:



Herkenrath



Dresden



Kreischta



Sonneberg



Bonn

# Investments in Germany (3)



Rheinbach



Wenden-Rothemühle



Olpe-Rüblinghouse



Bad Harzburg



Kalletal



Kirchlengern



Enger



Kierspe

# Investments in Germany (4)



Service-Residenz Schloss Bensberg\*

\*Copyright: © C. Arlinghaus.

# Investments & completions (1)

YTD 2014/2015



(As of 31 March 2015)

## — 7 acquisitions in Belgium<sup>1</sup>

- 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)

<sup>1</sup> Excluding Residentie Sporenpark acquired on 28 April 2015.

# Investments & completions (2)

YTD 2014/2015



(As of 31 March 2015)

## — 9 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)
- Service-Residenz Schloss Bensberg (Bergisch Gladbach)

# Disposal

YTD 2014/2015

- 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

# Investments 2014/2015 (3)

Service-Residenz Schloss Bensberg



**1 March 2015**

Acquisition of an assisted-living complex in Germany

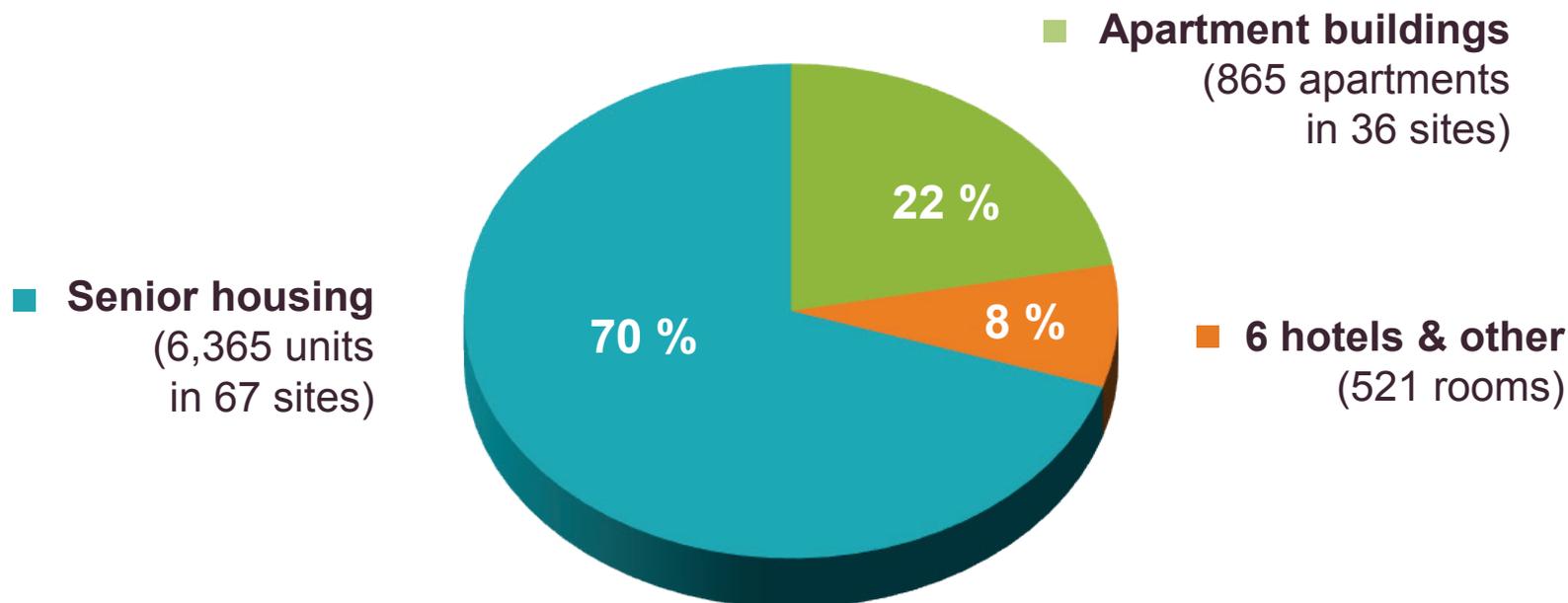
- €14 m invested amount
- 87 apartments

# Portfolio analysis



# Segments

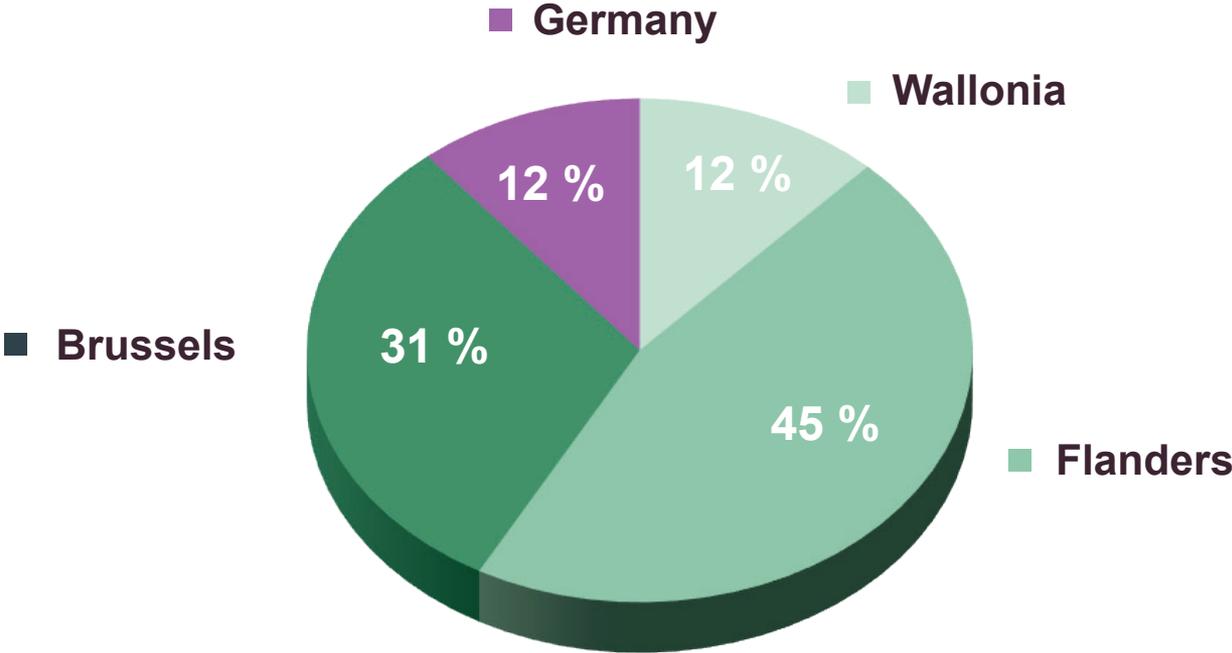
(As of 31 March 2015)



Marketable property at fair value (€956 m, incl. assets held for sale)

# Geographical breakdown

(As of 31 March 2015)



Marketable property at fair value (€956 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>70%</b>	<b>63%</b>
<b>Belgium</b>	<b>57%</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>	1%	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>23%</b>	<b>28%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>

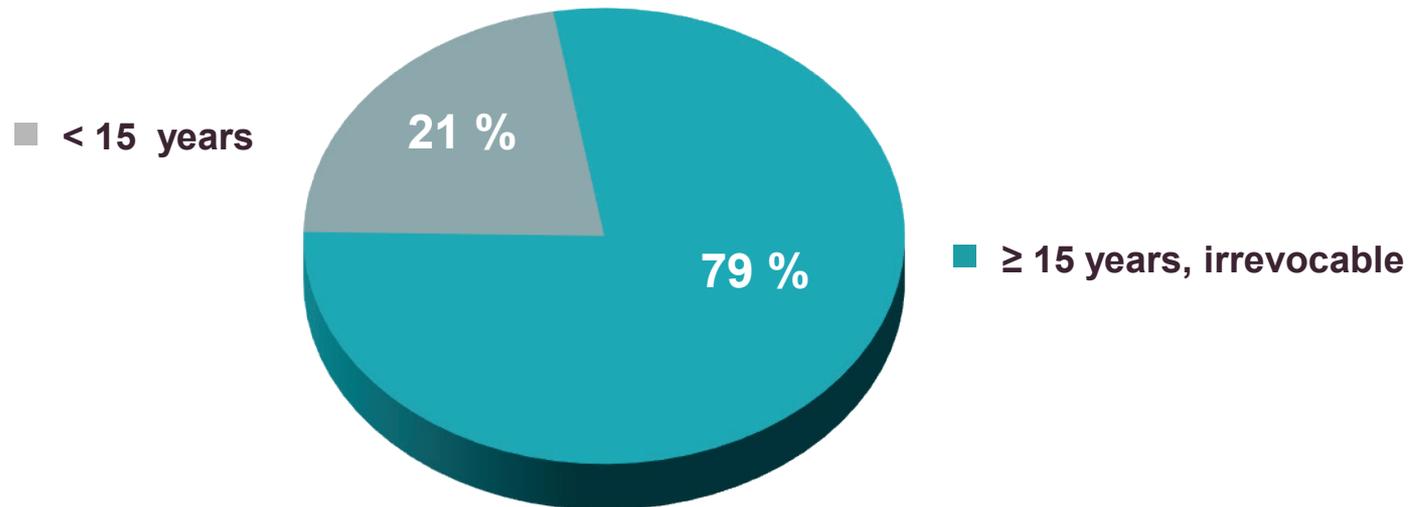
\* Group Korian-Medica

Based on contractual rents

# Lease maturity

(As of 31 March 2015)

## Initial lease maturity

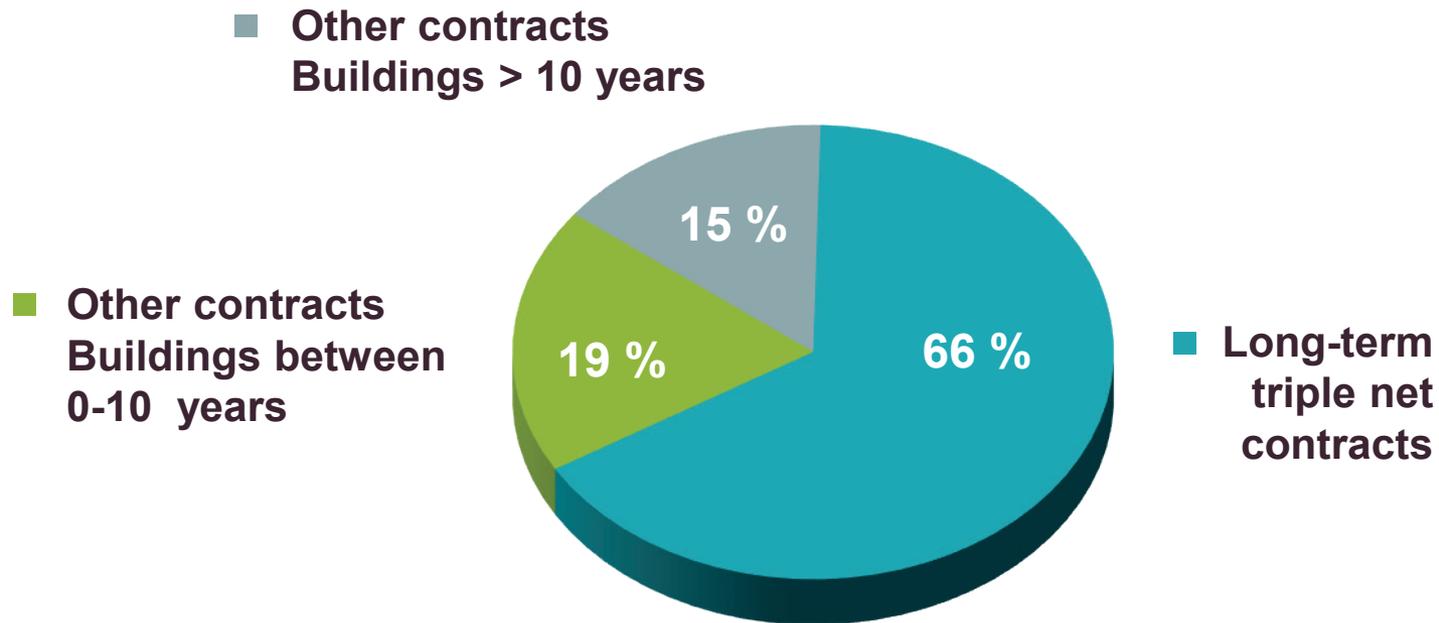


## Average remaining lease maturity

**19 years**

# Age of buildings

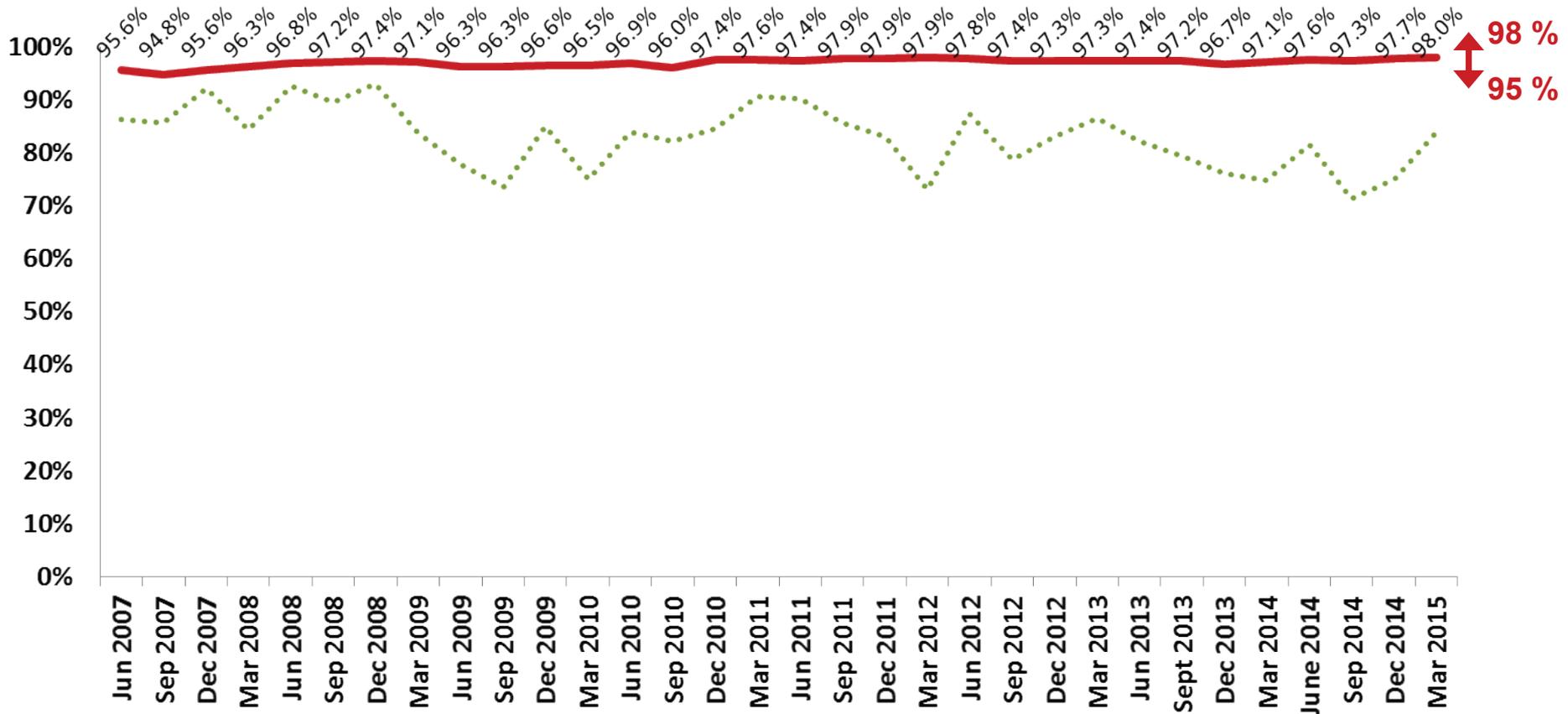
(As of 31 December 2014)



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

# Occupancy rate

Portfolio excl. furnished apartments\* (93 % of portfolio)

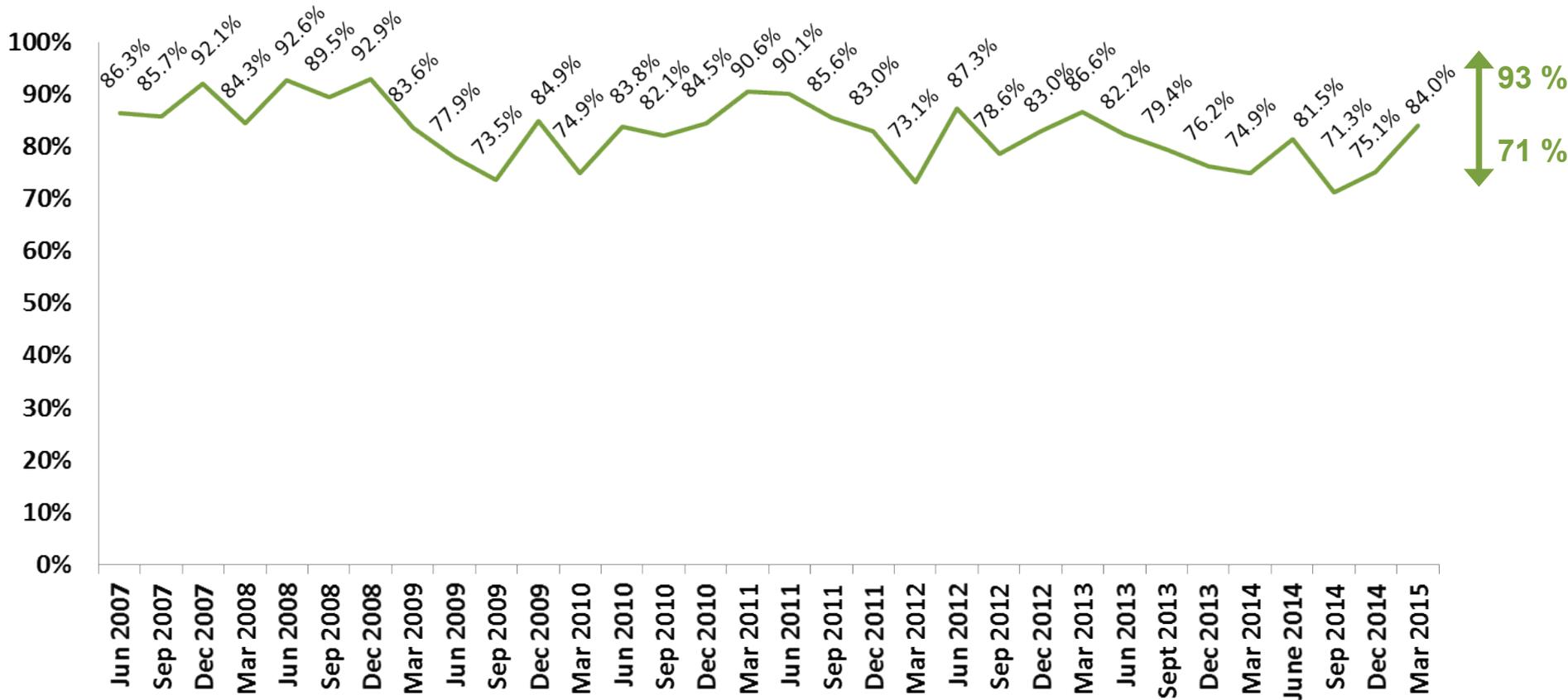


→ **Very high and stable occupancy rates**

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

# Occupancy rate

Furnished apartments\* (7 % of portfolio)

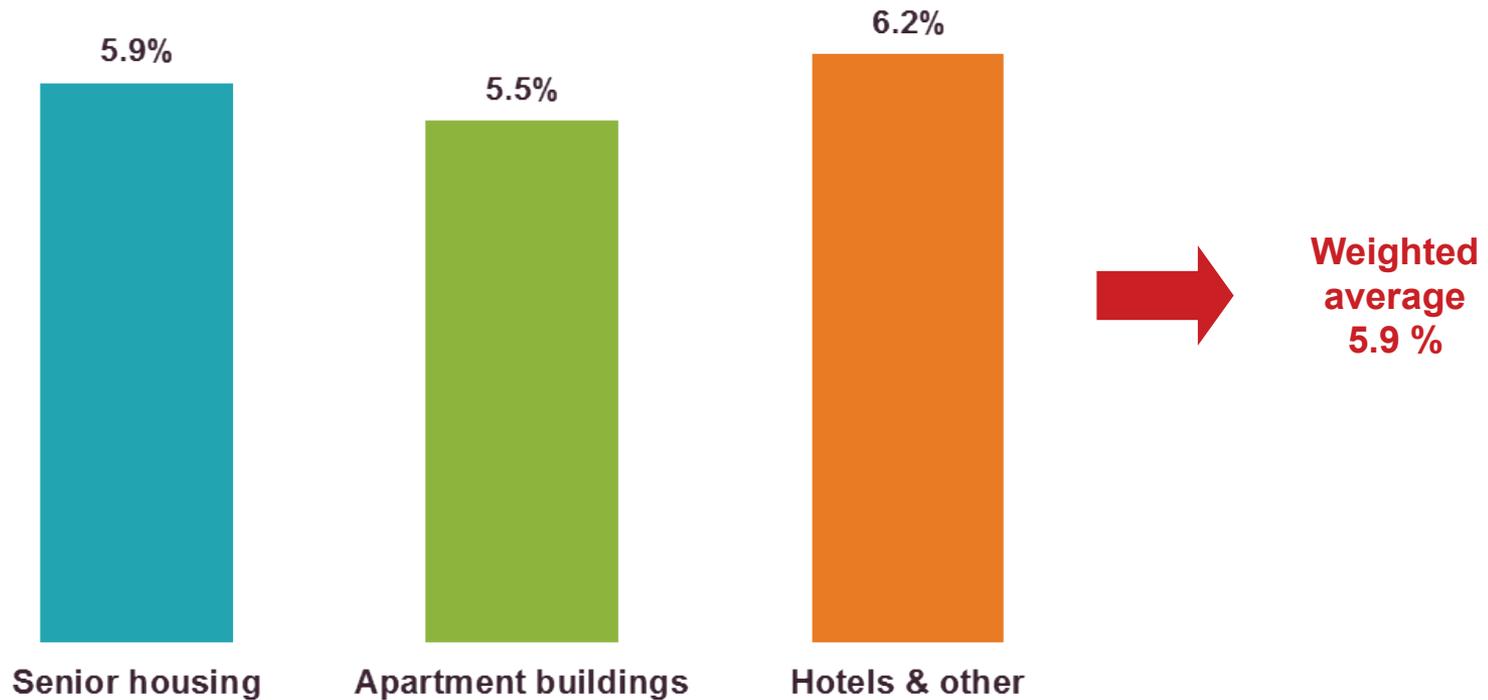


→ Volatility due to short-term contracts

\* Definition Furnished : rented days QTD / total number of days QTD. YTD March 2015: 76.8 %; YTD June 2014: 78.0 %; YTD March 2014: 76.8 %.

# Yields on fair value

(As of 31 March 2015)



# Segment EBIT margins\*

(As of 31 December 2014)



Senior housing



Apartment buildings



Hotels & other

Unallocated & inter-segment

**TOTAL**

	Senior housing	Apartment buildings	Hotels & other	Unallocated & inter-segment	<b>TOTAL</b>
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 → 2015

	FY 2008/2009		FY 2009/2010		FY 2010/2011		FY 2011/2012		FY 2012/2013		FY 2013/2014		Q3 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%	10,177	2%
Apartment buildings	-7,851	-4%	-1,904	-1%	1,552	1%	3,032	2%	-82	0%	-145	0%	429	0%
Hotels & other	-1,415	-4%	-963	-2%	1,191	2%	45	0%	-1,017	0%	-99	0%	99	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>10,705</b>	<b>1%</b>

Limited decrease → Resilience → Increase → 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.

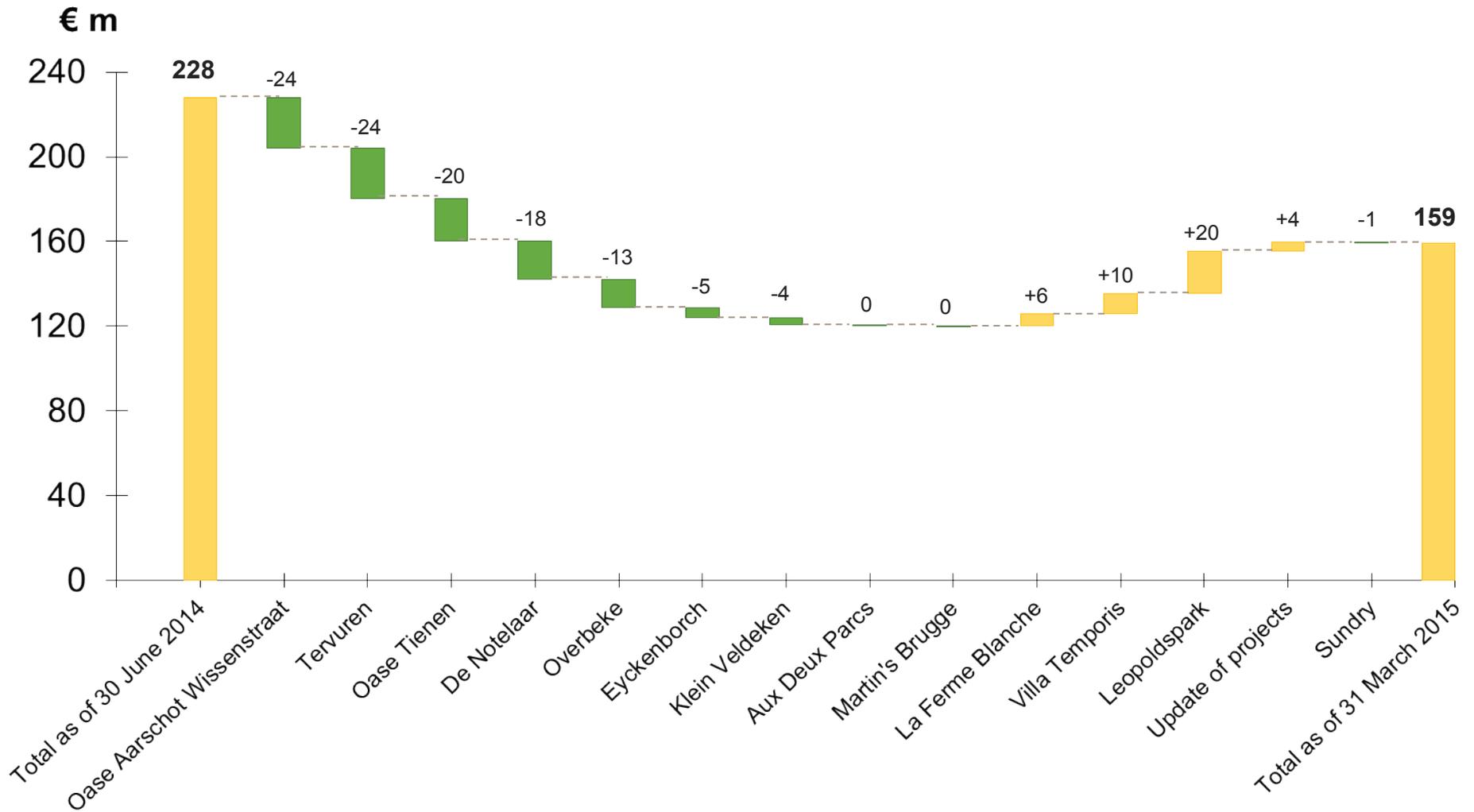
# Development projects

(As of 31 March 2015)

Projects and renovations		Estimated inv.	Inv. as of 31 March 2015	Future inv.	Date of completion	Comments
<b>(in € million)</b>						
<b>I. In progress</b>						
Residentie Sporenpark	Beringen	17	15	3	2014/2015	Construction of a new rest home
Rue Haute	Brussels	2	2	0	2014/2015	Renovation of an apartment building
Sundry	Sundry	2	2	0	2014/2015	Renovation of 2 buildings
Martin's Brugge	Brugge	1	1	0	2014/2015	Partial renovation of a hotel
Salve	Brasschaat	2	2	1	2015/2016	Renovation and redevelopment of a rest home
't Hoge	Kortrijk	6	3	2	2015/2016	Extension and renovation of a rest home
Helianthus	Melle	4	1	3	2015/2016	Extension of a rest home
Pont d'Amour	Dinant	8	6	2	2015/2016	Extension of a rest home
Marie-Louise	Wemmel	4	0	4	2015/2016	Renovation and conversion into assisted-living apartments
Villa Temporis	Hasselt	10	2	8	2016/2017	Extension and renovation of a rest home
Au Bon Vieux Temps	Mont-Saint-Guibert	10	1	9	2016/2017	Construction of a rest home
Op Haanven	Veerle-Laakdal	4	0	4	2016/2017	Extension and renovation of a rest home
La Ferme Blanche	Remicourt	6	0	6	2016/2017	Extension and renovation of a rest home
Huize Lieve Moenssens	Dilsen-Stokkem	7	0	7	2016/2017	Extension and renovation of a rest home
Aux Deux Parcs	Jette	2	0	2	2017/2018	Extension of a rest home
Air du Temps	Chênée	6	0	6	2017/2018	Extension and renovation of a rest home
Plantijn	Kapellen	8	0	7	2018/2019	Extension and renovation of a rest home
<b>II. Subject to outstanding conditions</b>						
Résidence du Lac	Brussels	5	0	5	2017/2018	Construction of an apartment building
Oase Binkom	Binkom	2	0	2	2017/2018	Extension of a rest home
Résidence Cheveux d'Argent	Spa	3	0	3	2017/2018	Extension of a rest home
<b>III. Land reserves</b>						
Terrain Bois de la Pierre	Wavre	2	2	0	-	Land reserve
Platanes	Brussels	0	0	0	-	Land reserve
<b>IV. Acquisitions subject to outstanding conditions</b>						
Leopoldspark	Leopoldsburg	20	0	20	2015/2016	Construction of a new rest home
Oase projects	Aarschot &	28	0	28	2016/2017	Construction of 2 new rest homes
<b>Total</b>		<b>159</b>	<b>37</b>	<b>123</b>		
<b>On balance sheet</b>			<b>37</b>			

→ Pre-let : 94 %

# 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%
<i>EBIT margin %</i>	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

Income Statement - analytical scheme (x €1,000)	31 December 2014	31 December 2013	Var.
Rental income	22,914	19,453	+18%
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Current tax	-151	-62	
<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

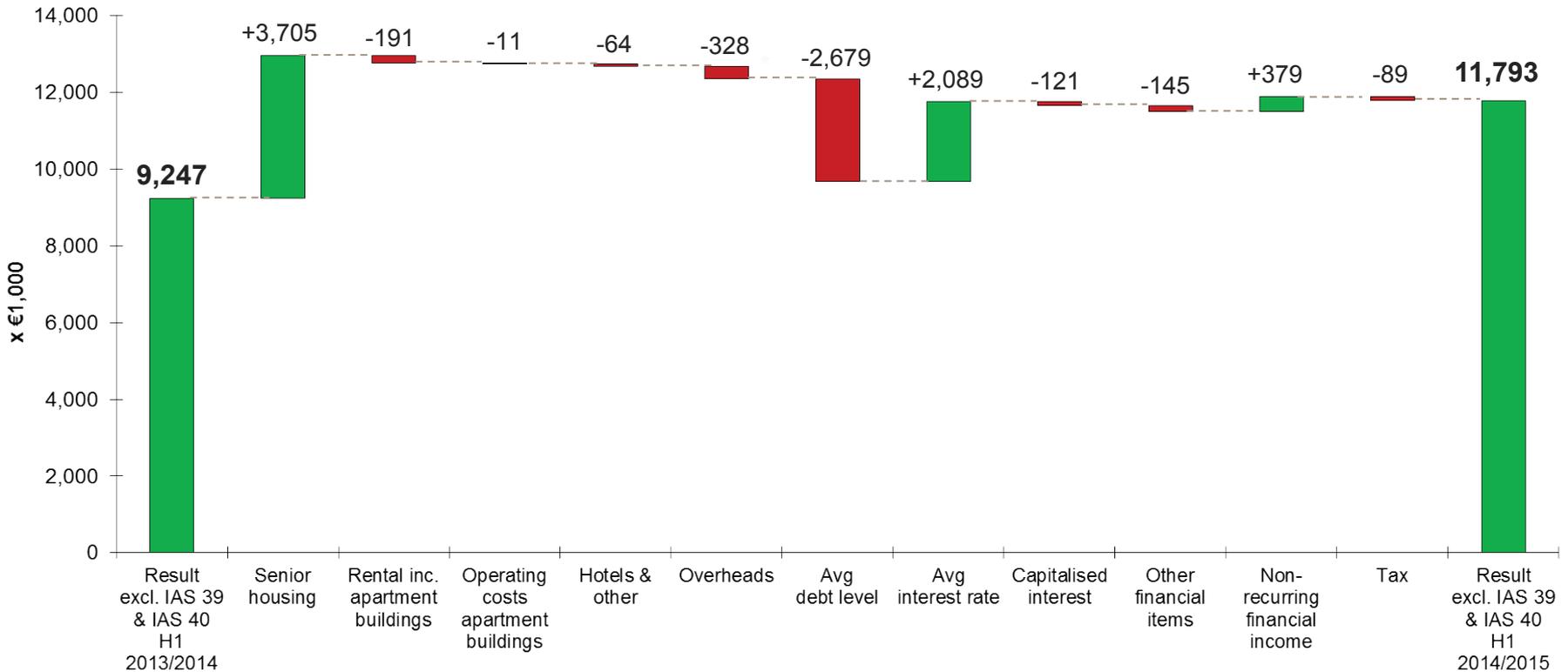
(As of 31 March 2015)



**22 % increase YoY**

# Result excl. IAS 39 & IAS 40

(As of 31 December 2014)



# Result excl. IAS 39 & IAS 40 vs budget

(As of 31 December 2014)



# 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:

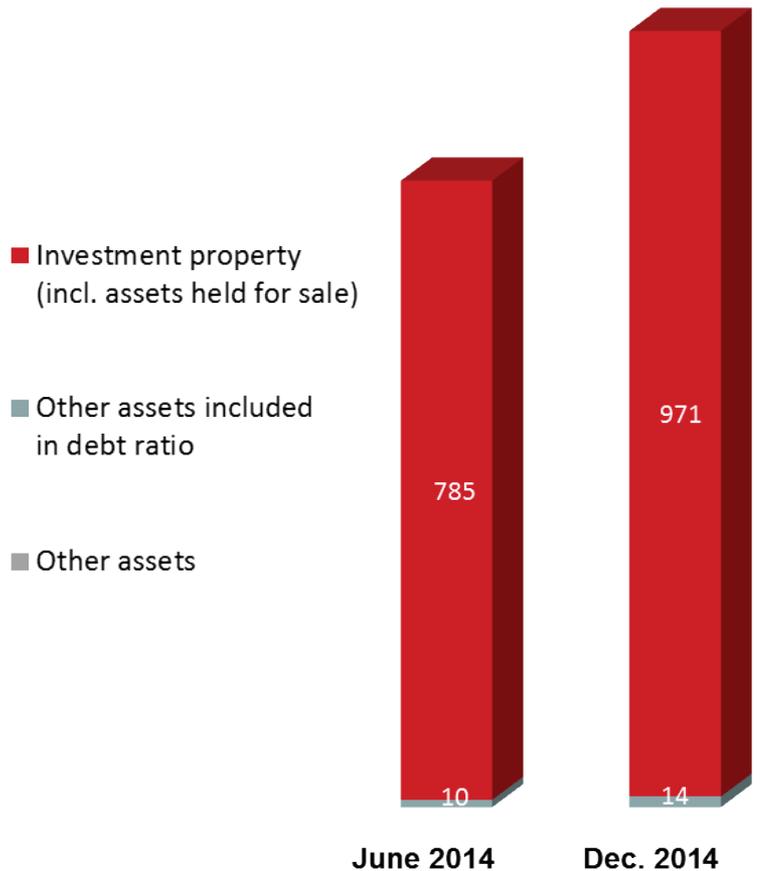
-€3,286k in result (vs. +€926k in H1 PY)

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

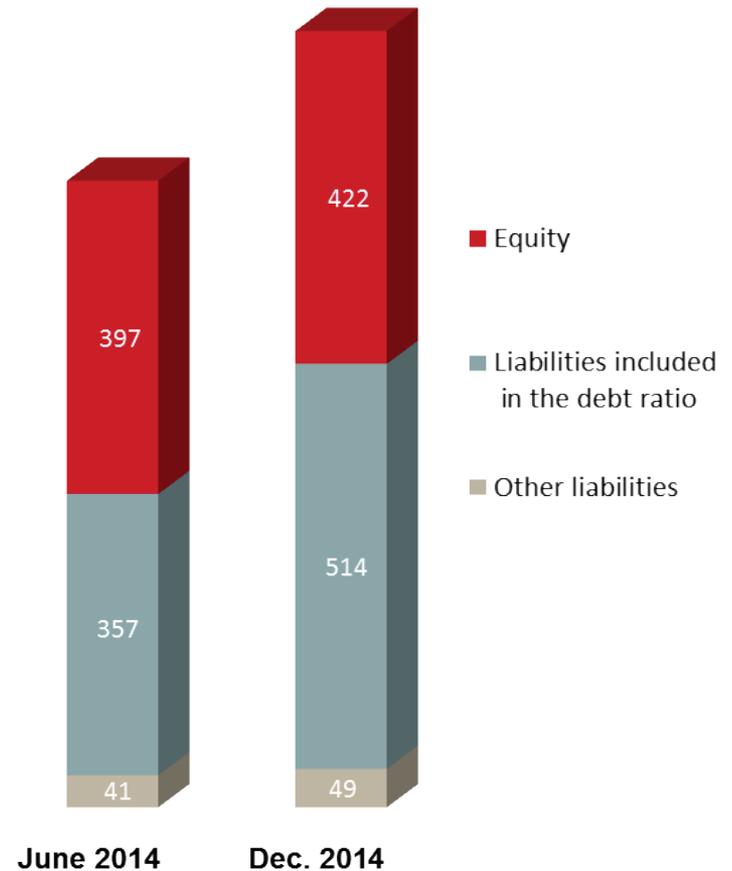
# Consolidated balance sheet (€ m)

(As of 31 December 2014)

## Assets

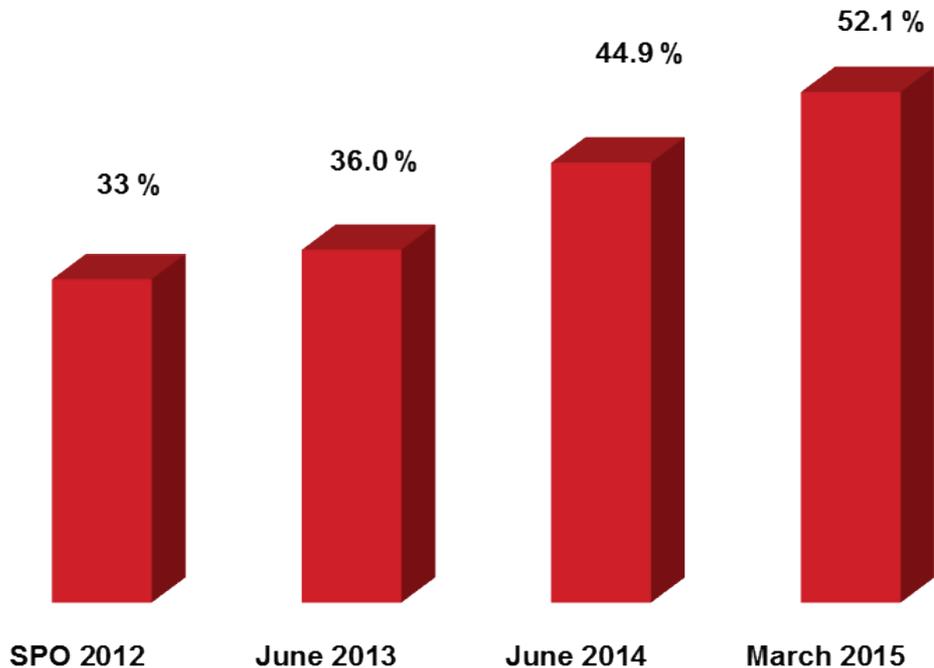


## Equity & Liabilities



# Debt-to-assets ratio

(As of 31 March 2015)



## Headroom\* :

- Debt increase of €79 m without investments or €199 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 €129 m, €371 m and 20 %.

# Credit facilities

(As of 31 March 2015)

## Credit facilities

<b>Maturity</b>	<b>Amount (€m)</b>
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 March 2015	30 June 2014	Var.
<b>Based on fair value of investment properties</b>			
Net asset value based on fair value	39.22	36.84	6%
IAS 39 impact	<u>4.36</u>	<u>3.73</u>	
<b>Net asset value after deduction of dividend, excl. IAS 39</b>	<b>43.58</b>	<b>40.57</b>	<b>7%</b>

**Premium on 4 May 2015:  
60 % vs NAV at FV incl. IAS 39  
44 % vs NAV at FV excl. IAS 39**

# Number of shares

<b>Number of shares</b>	<b>31 March 2015</b>	<b>30 June 2014</b>
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)	10,547,977	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

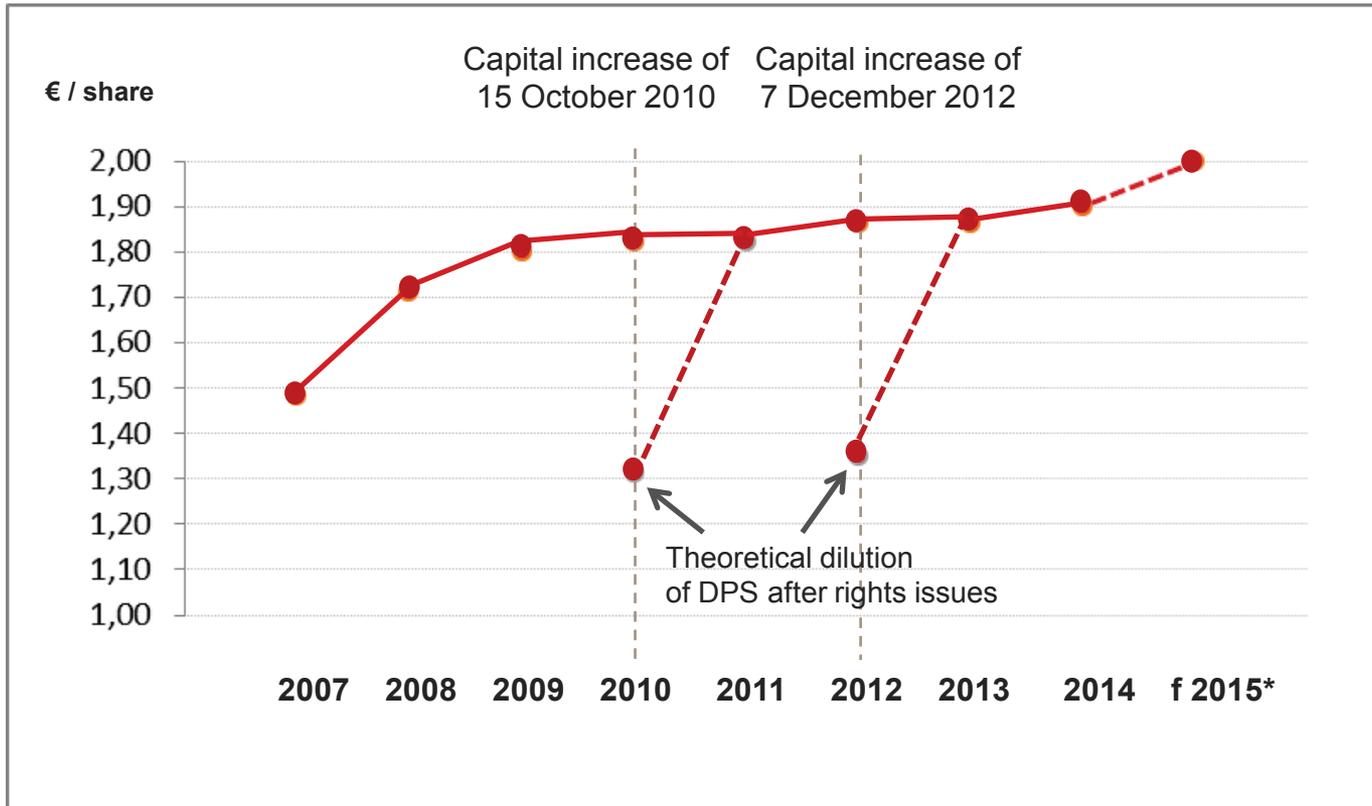
	31 December 2014	31 December 2013
EPRA Earnings (in € /share)	1.14	0.93
EPRA Cost Ratio (including direct vacancy costs) (in %)	21	23
EPRA Cost Ratio (excluding direct vacancy costs) (in %)	21	23
	31 December 2014	30 June 2014
EPRA NAV (in € /share)	42.88	40.54
EPRA NNNAV (in € /share)	38.34	36.61
EPRA 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



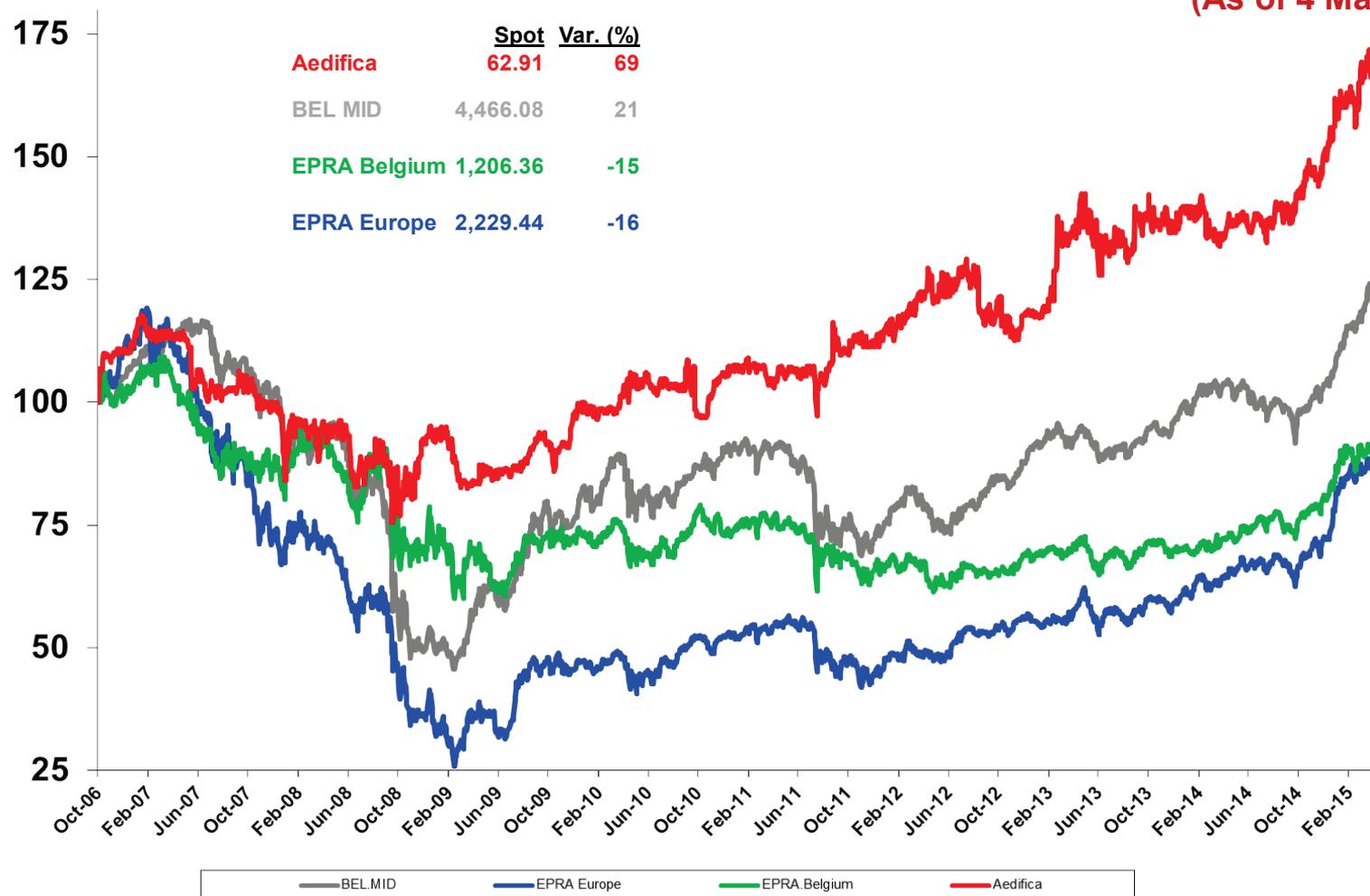
# Dividend track record



\* 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

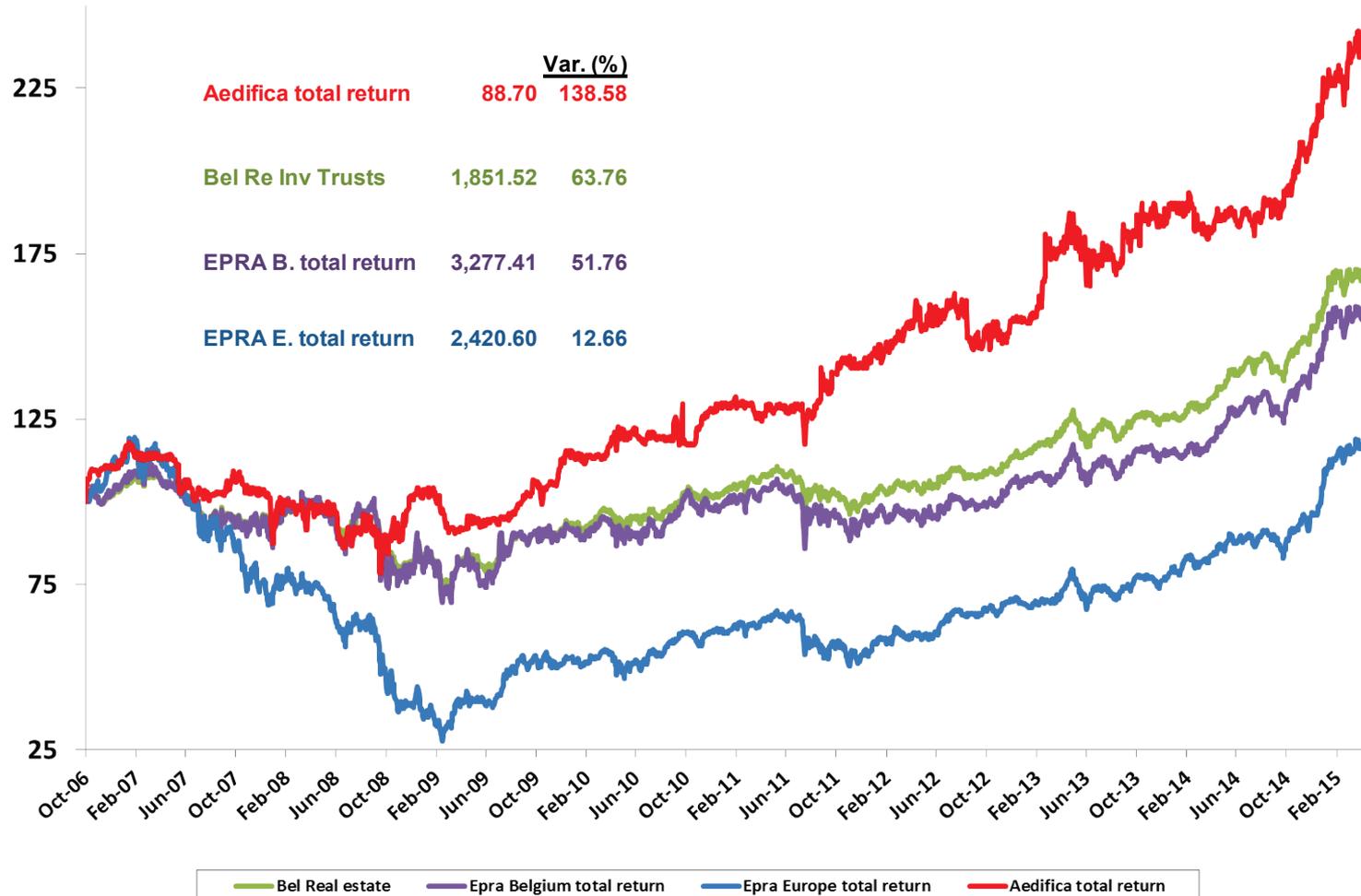
(As of 4 May 2015)



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

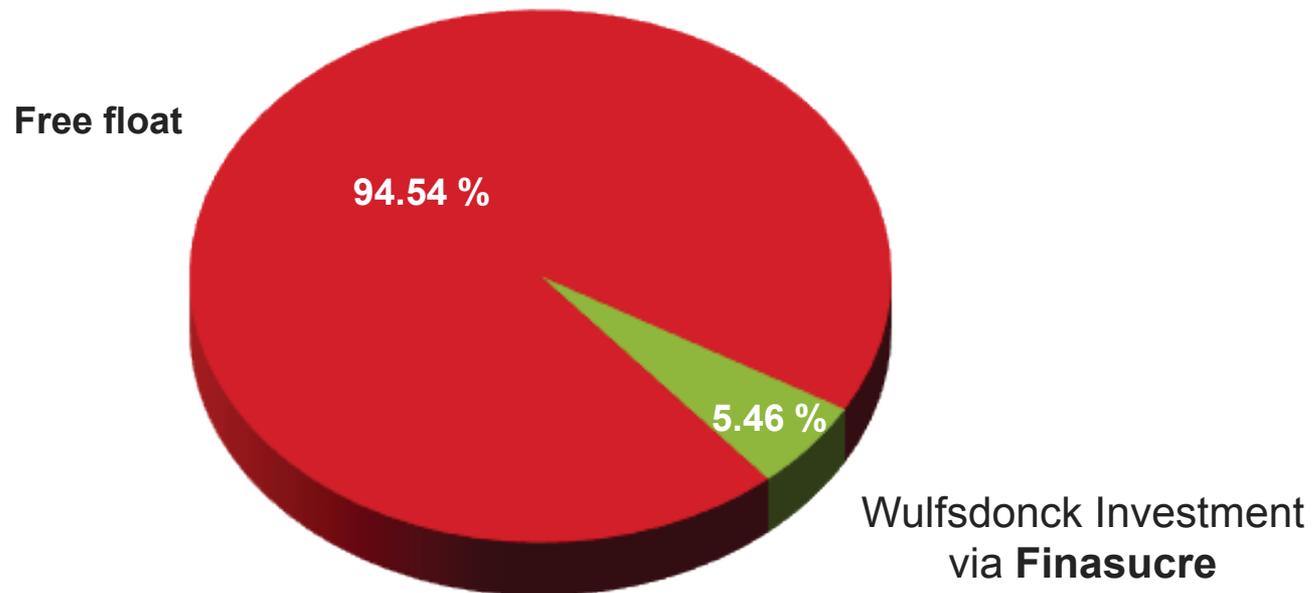
(As of 4 May 2015)



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\*

(Update as of 17 March 2015)



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

# Rankings

- One of the highest free floats of all Belgian REITs
- 4<sup>th</sup> largest liquidity amongst all Belgian REITs<sup>1</sup>  
(Daily average: €550k at the end of April 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>
- 5<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 the May 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 	1  SOLVAY	1  SOLVAY	1 
2  ABInBev	2  KBC	2  ABInBev	2  ABInBev	2  aedifica
3  KBC	3  ABInBev	3  telonef	3  aedifica	3  SIFEP
4  Openc	4  Belimmo	4  Openc	4  umicore	4  nyrstar
5  ucb	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

## — Management Committee

- ✓ 4 members

# Outlook



## — Focus on investments

- **Development pipeline:** all deliveries on track
- **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
  - 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: 19 years
- Investment, equity and debt-financing track record
- Dividend track record

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**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)

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# 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



# Belgian REIT

- **“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 independent 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 %

# Triple net leases

## — 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)

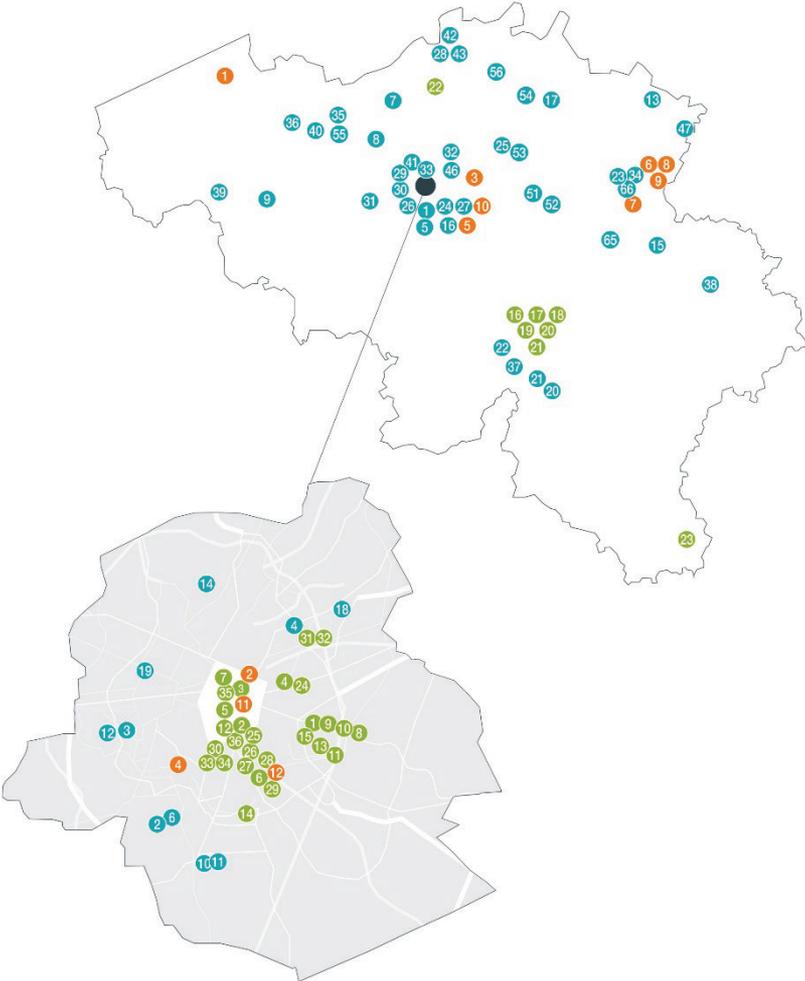
# Geographical breakdown

## Belgium



(As of 31 March 2015)

- Senior housing
- Apartment buildings
- Hotels & other



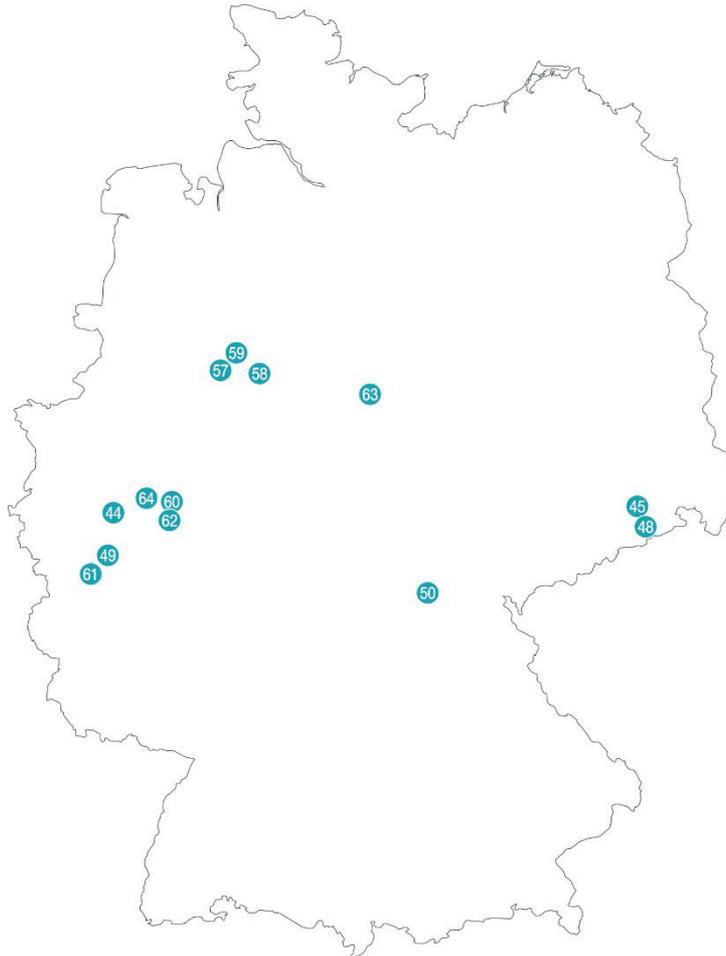
Excluding Residentie Sporenpark acquired on 28 April 2015.

# Geographical breakdown

## Germany

(As of 31 March 2015)

- Senior housing
- Apartment buildings
- Hotels & other



Excluding Service-Residenz Schloss Bensberg acquired on 1 March 2015.

# Notes

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# Notes

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# Notes

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