



Half year results 2018/2019

Brussels, 20 February 2019

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Highlights H1 2018/2019



Résidence l'Air du Temps
Chênée - Belgium

Highlights

H1 2018/2019 (1)

- > **Rental income:** €50,8 million, +14 % YoY, +1.7 % L-F-L
- > **EPRA Earnings:** €31,7 million, +12 % YoY
- > **Rental income** and **EPRA Earnings** ahead of budget
- > **Dividend forecast** confirmed at €2.80 gross per share (+12 %)
- > **Real estate portfolio** of €2.0 billion, +13 % compared to 30 June 2018
- > **Acquisition** of a portfolio of **92 healthcare properties** in the UK
- > Record level of €473 million of **projects** (excl. UK portfolio)

Highlights

H1 2018/2019 (2)

- > **Healthcare real estate:** 85% of the portfolio, totaling €1,625 million spread over 159 sites in 3 countries
 - €996 million in Belgium (76 sites)
 - €336 million in Germany (41 sites)
 - €292 million in The Netherlands (42 sites)
- > **Weighted average lease term:** 20 years
- > **Debt-to-assets ratio:** 47.4 %
- > First phase of the sale of **Immobo** shares completed

Investment activity

(in € million)	Investments carried out/ announced	Development projects	Total
DE Specht Gruppe phase I: Schwerin, Lübbecke, Kaltenkirchen ¹	19	21	40
DE Argentum portfolio (4 sites)	19	-	19
NL Sorghuys Tilburg	2	2	4
DE Azurit portfolio (4 sites) ¹	23	-	23
NL Nieuw Heerenhage ¹	3	19	22
NL Martha Flora Bosch en Duin ¹	5	-	5
BE De Stichel ¹	4	-	4
BE Huize Lieve Moenssens ¹	4	-	4
NL Verpleegcentrum Scheemda	1	4	5
NL ECR portefeuille (3 sites)	35	12	47
BE Residentie Kartuizerhof	20	-	20
BE Residentie van de Vrede	15	2	17
NL Het Gouden Hart Harderwijk	4	6	10
NL Huize Ter Beegden ¹	4	-	4
DE Seniorenheim J.J. Kaendler ²	4	-	4
DE Hartha et Zur alten Linde ²	18	-	18
BE Heydeveld ¹	4	-	4
NL Kening State	11	-	11
BE Hof van Schoten	18	-	18
NL Stepping Stones Zwolle	1	5	6
NL September Nijverdal ¹	3	-	3
Total as of 31 December 2018	216	72	288
UK Aedifica UK portfolio ³	503	-	503
Total as of 20 February 2019	719	72	791

¹ Realisations of agreements concluded prior to 1 July 2018.

² The outstanding conditions of these transactions are expected to be fulfilled in the next few weeks.

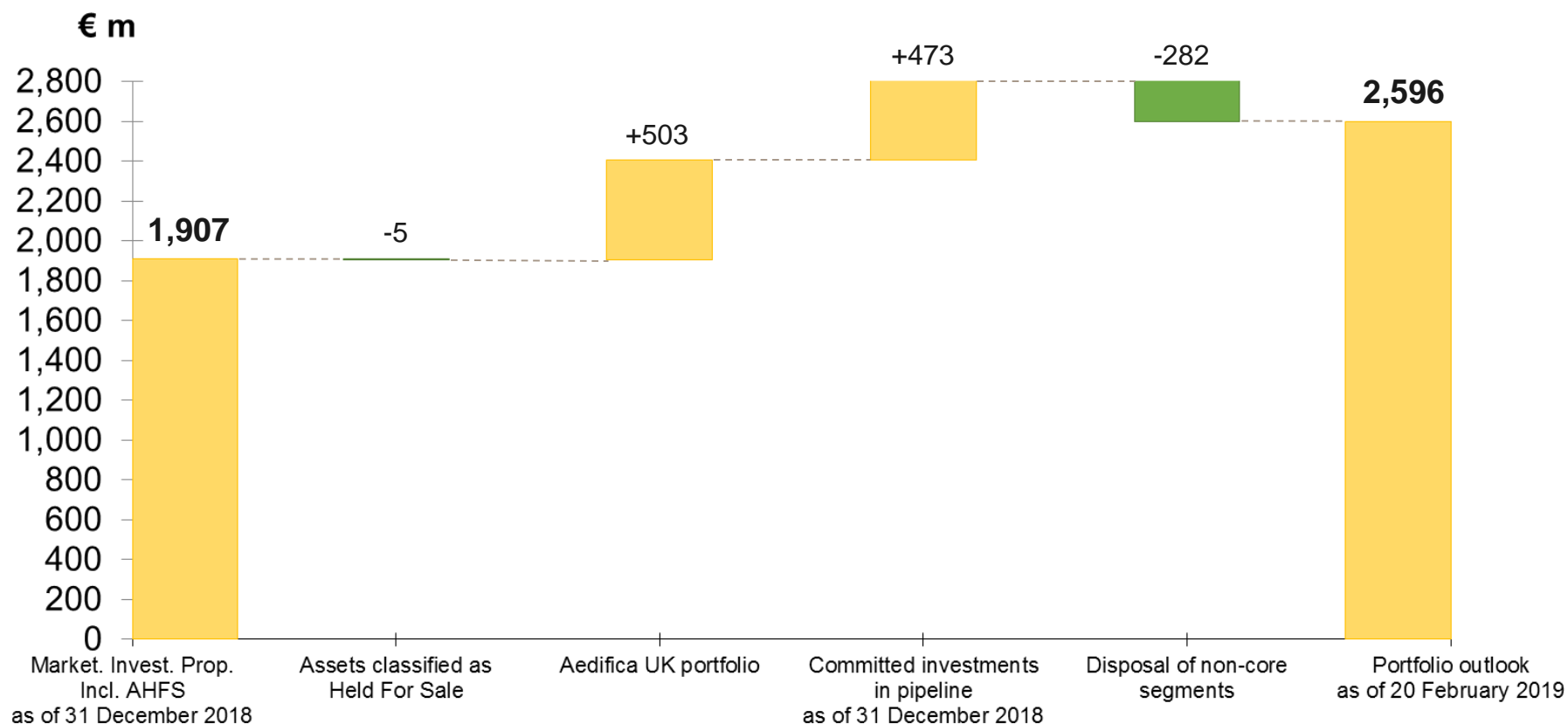
³ Based on the exchange rate as of 31 December 2018.

→ **€683 million of new investments (incl. Uk portfolio) since 1 July 2018, on top of pipeline as of 30 June 2018**

Portfolio outlook

Total portfolio outlook: €2.6 billion

(As of 20 February 2019)



Strategy

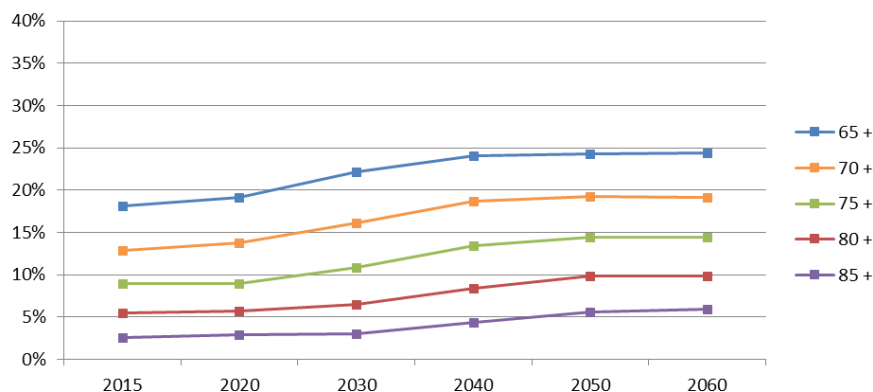


Residentie Sporenpark
Beringen - Belgium

- > Belgian REIT (RREC/SIR/GVV)
 - market cap ~ €1.5 billion
 - free float of 100 %
 - marketable investment properties ~ €2.0 billion (as of 31/12/2018)
 - approx. 1,014,000 m²
 - > Focusing on healthcare real estate: “housing with care”
 - demographic evolution: ageing
 - > European focus
 - Belgium
 - Germany
 - The Netherlands
 - United Kingdom
- A European pure-play healthcare REIT,
with a WAULT of 20 years**

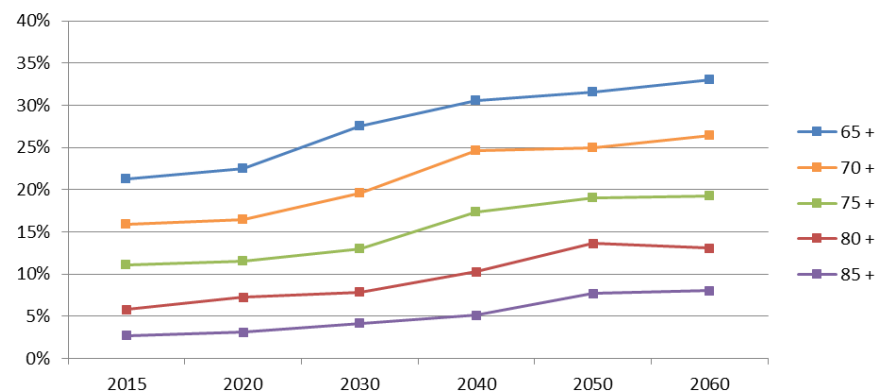
Demographic evolution

Ageing in Belgium



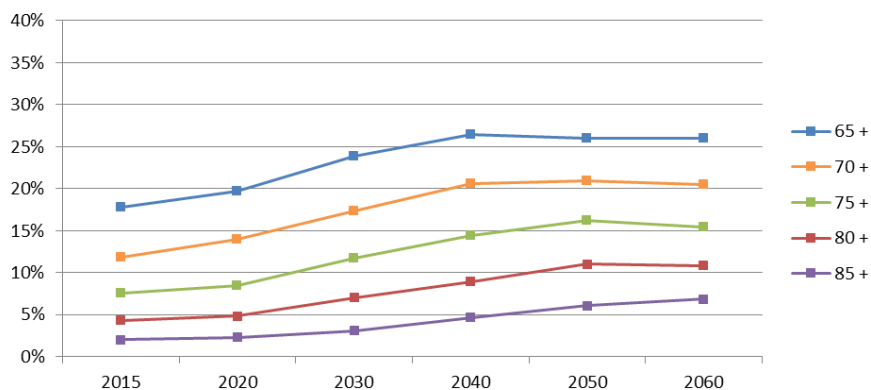
Source: "Perspectives de population 2017-2061", Belgian Federal Planning Bureau, 2018.

Ageing in Germany



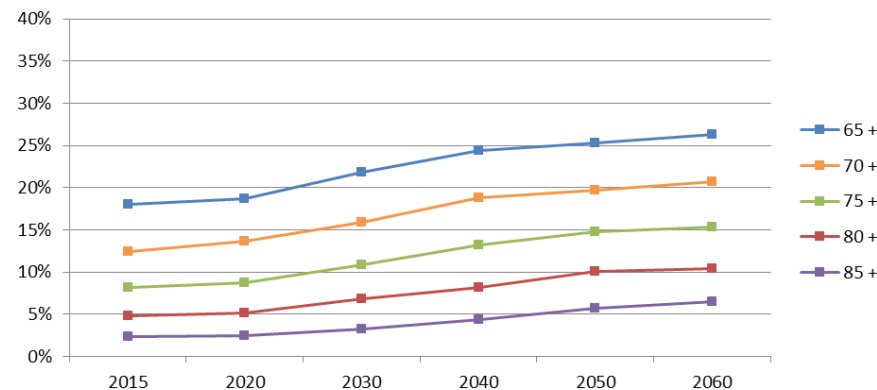
Source: "Bevölkerung Deutschlands bis 2060", Statistisches Bundesamt (Deutschland), 2015.

Ageing in The Netherlands



Source: "Prognose bevolking kerncijfers 2015-2060", Centrale Bureau voor de Statistiek, 26 January 2016.

Ageing in the United Kingdom



Source: "2016-based National Population Projections", Office for National Statistics, 26 October 2017.

Segment information

Fair value of total portfolio: €2.0 billion

(As of 31 December 2018)

Healthcare real estate in Europe



Weight: 85 %
Gross yield: 5.6 %
EBIT margin: 97 %

→ **Cash flow**
(long leases)

+ growth potential

Apartment buildings in Belgium



11 %
4.8 %
73 %

→ **50 % in JV**

Hotels in Belgium



4 %
6.3 %
99 %

→ **Cash flow**
(long leases)

NON-CORE

Achievements

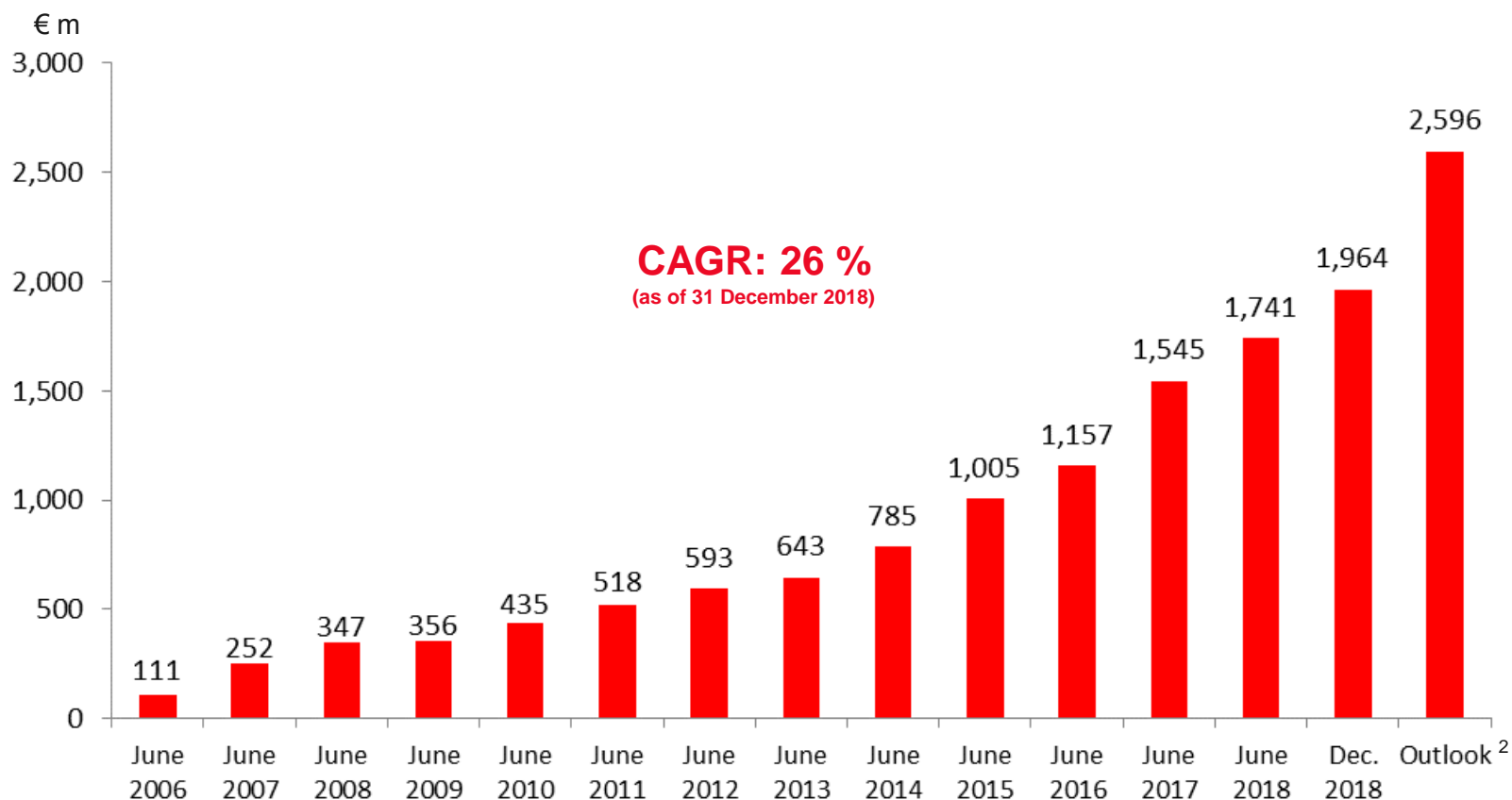


Huize Hoog Kerckebosch
Zeist – The Netherlands

Achievements

Investment properties¹

Evolution since 2006



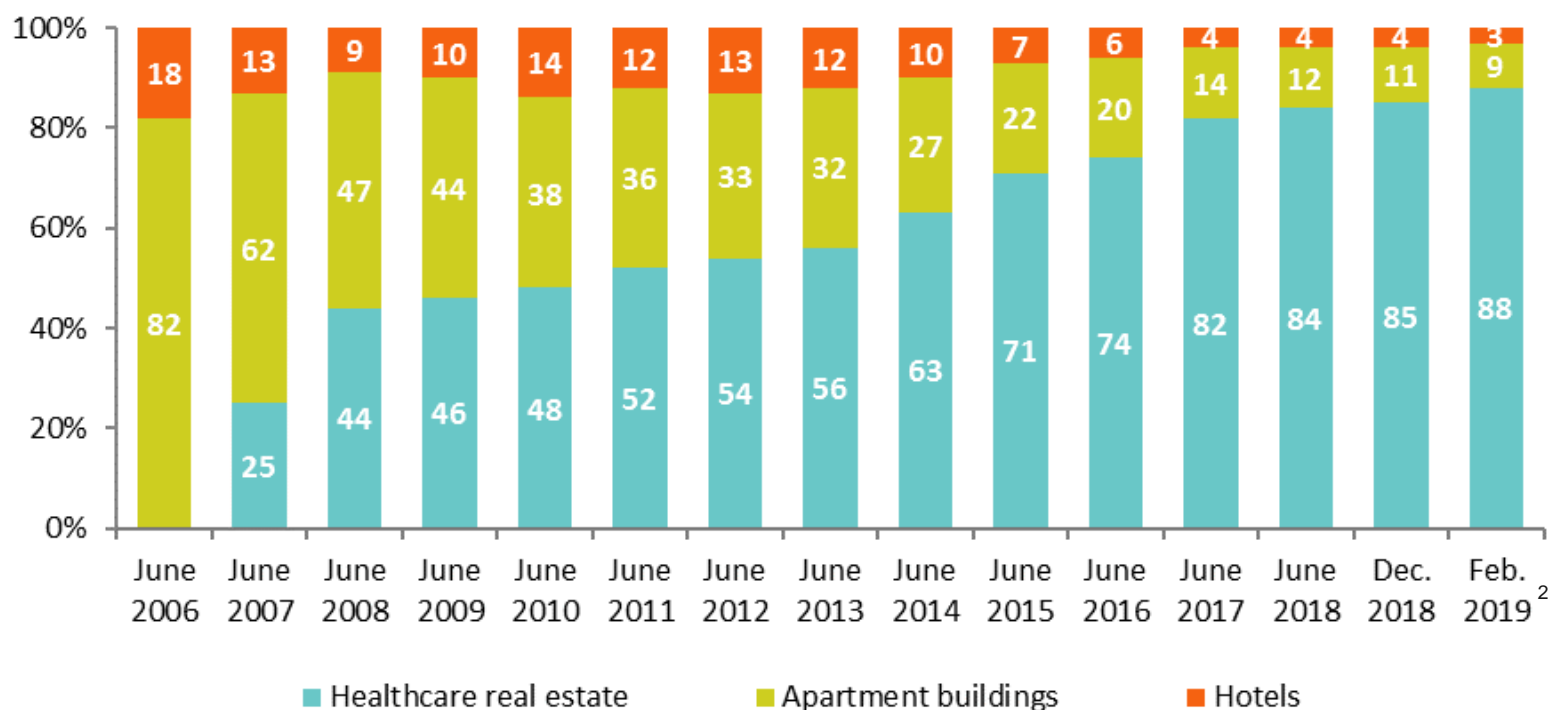
¹ Incl. assets classified as held for sale.

² Outlook includes the portfolio as of 31/12/2018, the UK portfolio, the disposal of non-core segments and the completion of the development pipeline.

Achievements

Focus on healthcare real estate

Evolution by segment (fair value¹)



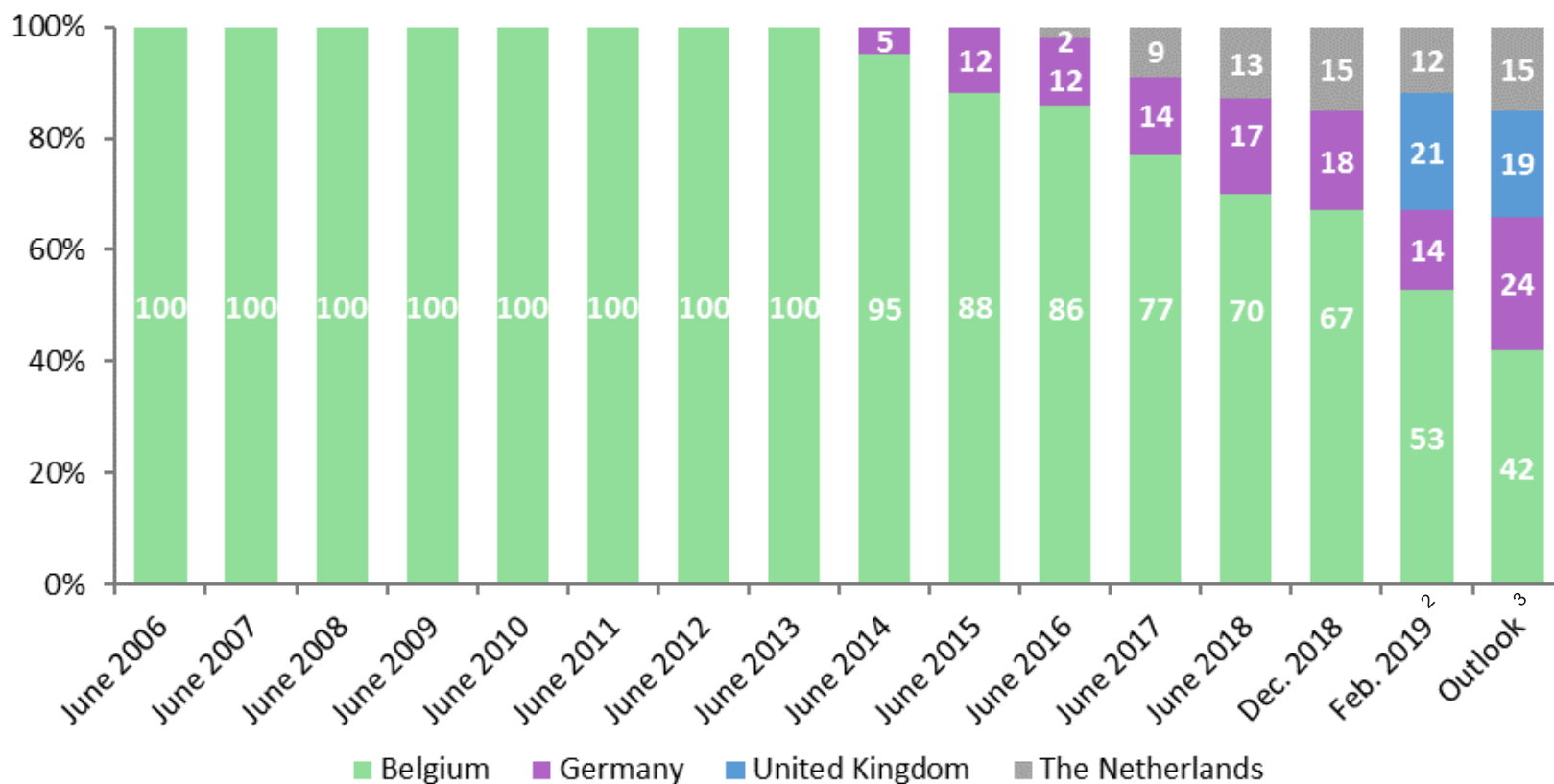
¹ Marketable investment properties incl. assets classified as held for sale (€1,907 m).

² The situation as of 1 February 2019 includes the portfolio as of 31/12/2018 and the acquisition of the UK portfolio.

Achievements

Focus on Europe

Geographical breakdown (fair value)¹



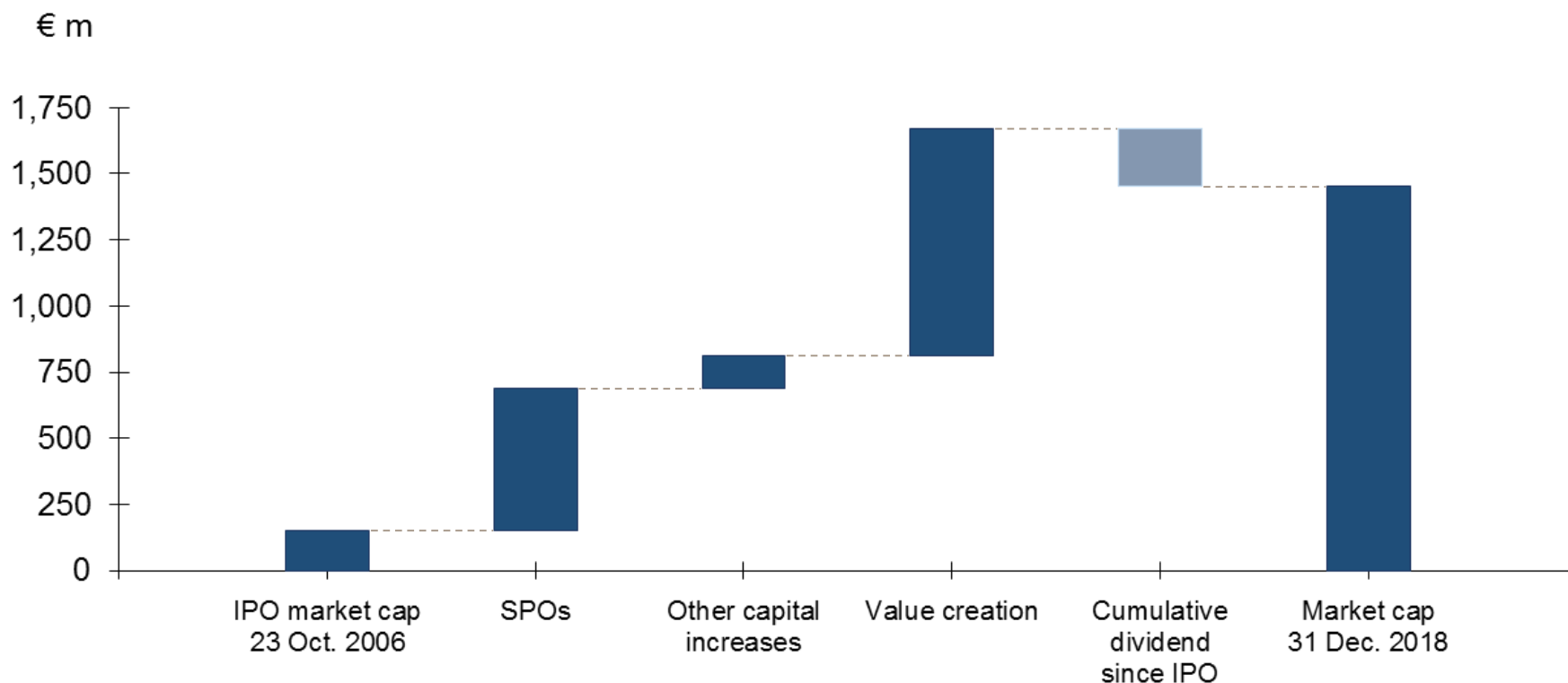
¹ Marketable investment properties incl. assets classified as held for sale (€1,907 m).

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³ Outlook includes the portfolio as of 31/12/2018, the UK portfolio, the disposal of non-core segments and the completion of the development pipeline.

Achievements

Value creation since 2006



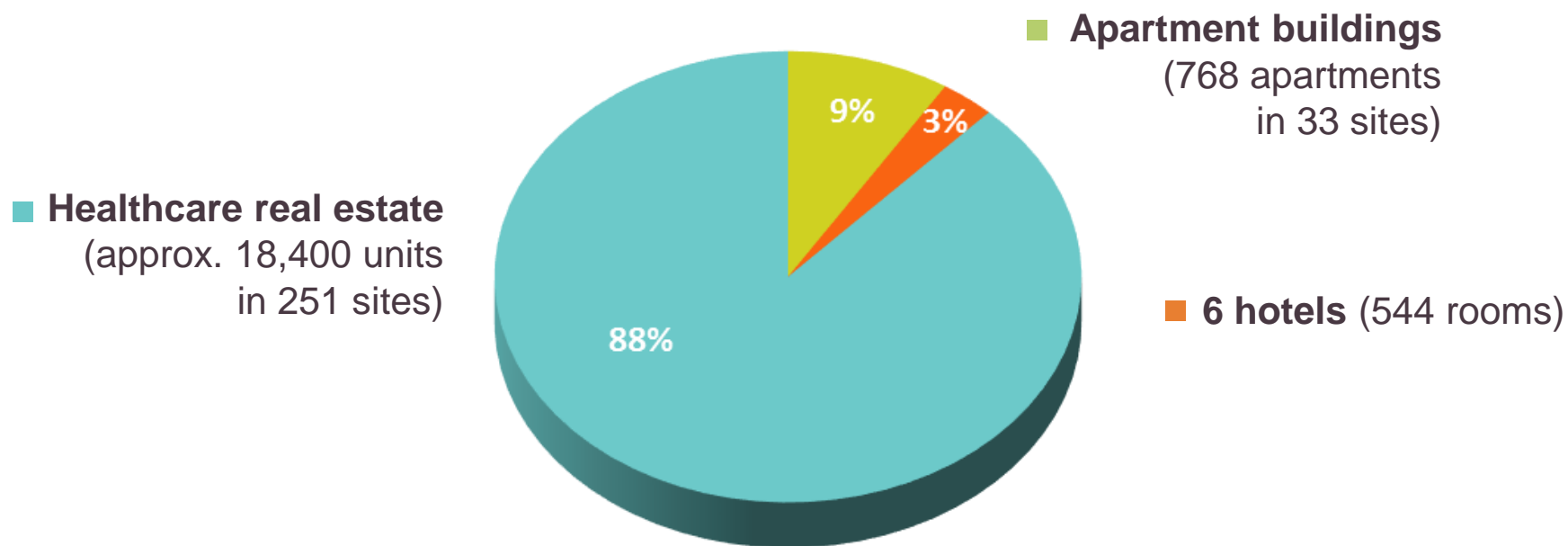
Portfolio analysis



Bremerhaven I
Bremerhaven - Germany

Segments

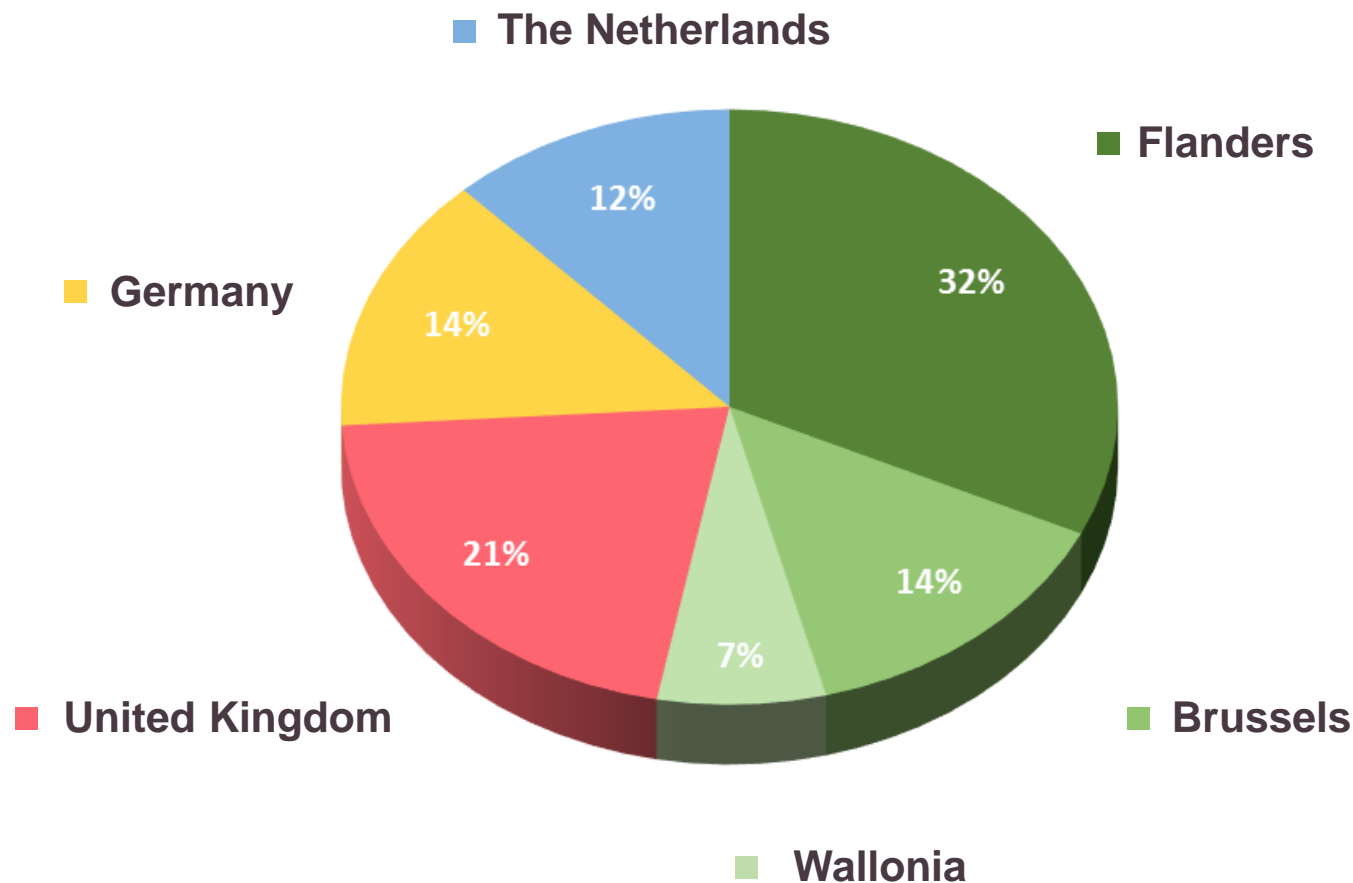
(As of 1 February 2019)¹



¹ The situation as of 1 February 2019 includes the portfolio as of 31/12/2018 and the impact of the acquisition of the UK portfolio.

Geographical breakdown

(As of 1 February 2019)¹



¹ The situation as of 1 February 2019 includes the portfolio as of 31/12/2018 and the impact of the acquisition of the UK portfolio.

> Focus on senior housing

- Assisted living facilities: rest homes (high care)
 - Belgium: Woonzorgcentrum / Maison de repos
 - Germany: Pflegeheim
 - The Netherlands: Verpleeghuis, Zorgresidentie, ...
- Independent living facilities: seniors apartments (low care)
 - Belgium: Assistentiewoning / Résidence-services
 - Germany: Betreutes Wohnen
 - The Netherlands: Seniorenappartementen

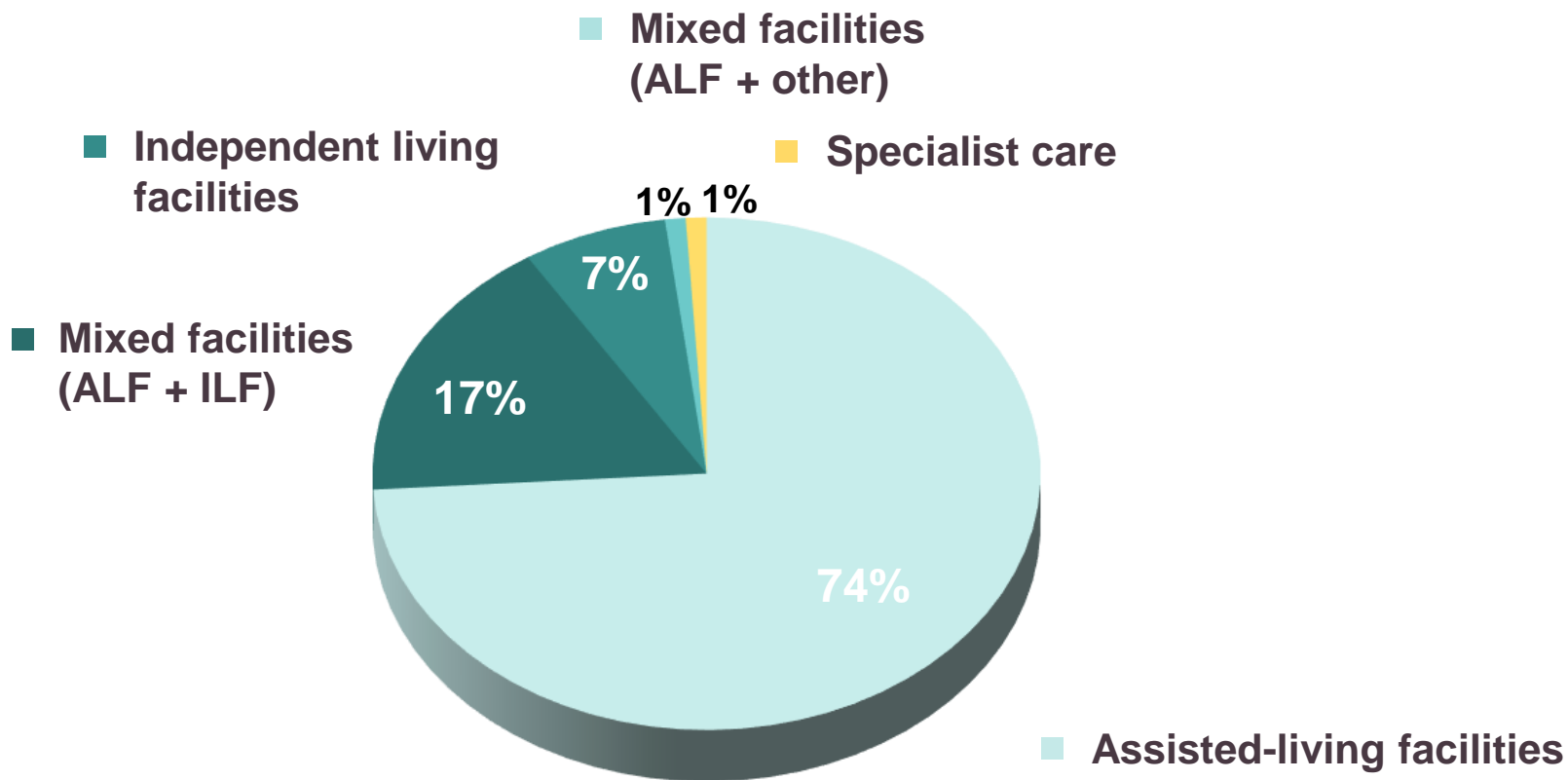
> Exploring other healthcare segments

- Healthcare campus model
- Medical centres, residential care facilities, ...

Healthcare real estate

Segment diversification

(As of 1 February 2019)¹



¹ The situation as of 1 February 2019 includes the portfolio as of 31/12/2018 and the impact of the acquisition of the UK portfolio.

Belgian healthcare portfolio



(As of 31 December 2018)

> Senior housing portfolio of 76 assets:

- Capacity of approx. 7,800 residents
- Total fair value of approx. €996 m
- Yield on fair value of 5.5 %
- Triple net long leases
- Typical lease maturity: 27 years
- 4 main tenants: Armonea, Orpea, Senior Living Group, Vulpia
- Portfolio outlook as of 20 February 2019: approx. €1,040 m

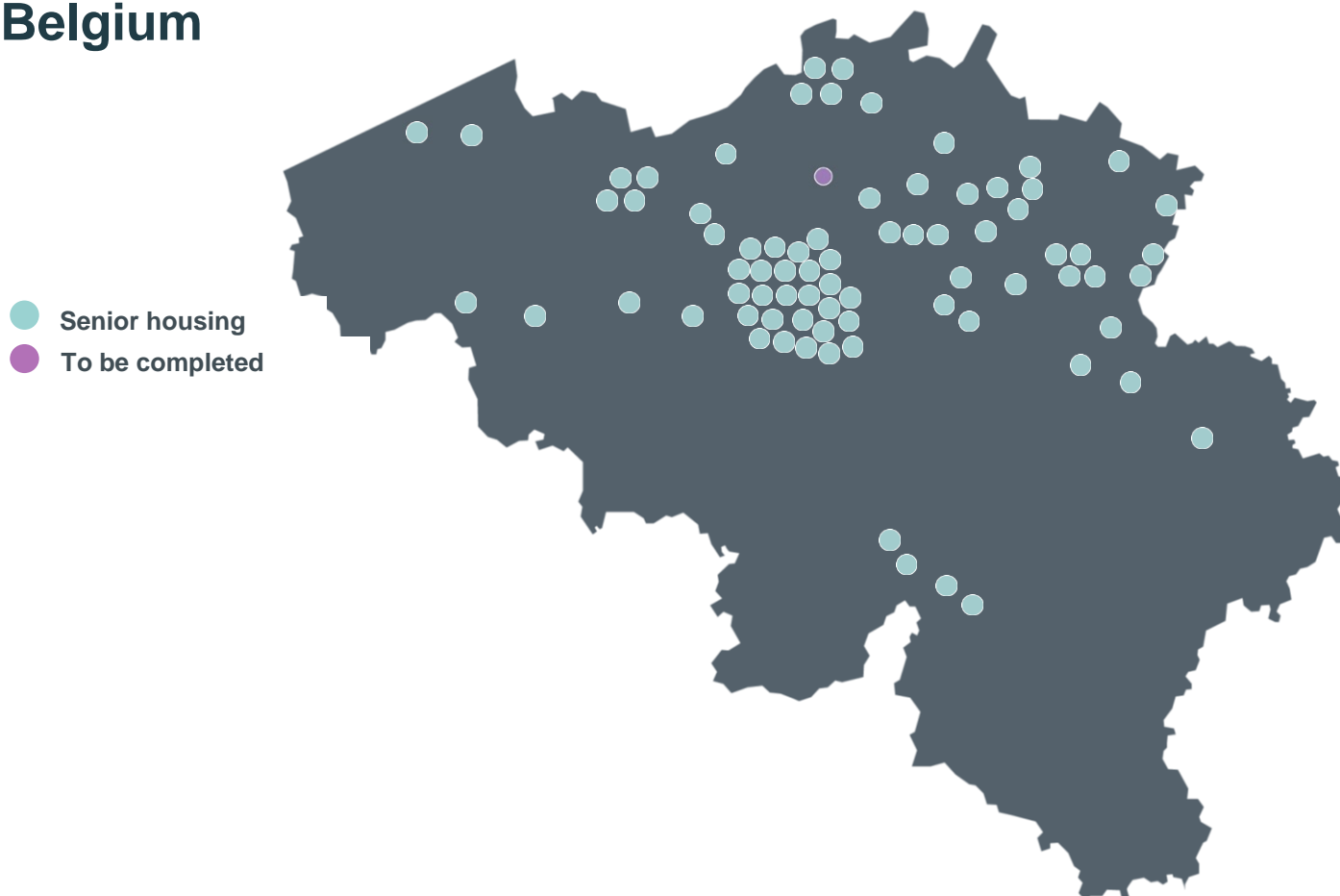
> Belgium:

- Aedifica is market leader in senior housing real estate
- Senior housing: highly consolidated profit segment
- Senior housing: future potential in not-for-profit and public segments

Belgian healthcare portfolio

(As of 31 December 2018)

Belgium



Belgian healthcare portfolio

Residentie Sporenpark,
Beringen
• 127 units



Residentie Kartuizehof,
Lierde
• 128 units

Hestia, Wemmel
• 222 units



Leopoldspark,
Leopoldsborg
• 150 units

German healthcare portfolio

(As of 31 December 2018)

> Senior housing portfolio of 41 assets:

- Capacity of approx. 3,300 residents
- Total fair value of approx. €336 m
- Yield on fair value of 6.1 %
- Double net long leases
- Typical lease maturity: 20 - 25 years
- 14 tenants (advita, Alloheim, Argentum, Azurit Group, Convivo, Cosiq, Deutsches Rotes Kreuz, DPUW, EMVIA, Orpea, Residenz Management, Schloss Bensberg Management, Volkssolidarität, Vitanas)
- Co-operation agreement with Specht Gruppe for the construction of 17 care campuses (€245 m), of which 3 are currently under construction
- Portfolio outlook as of 20 February 2019: approx. €650 m

> Germany:

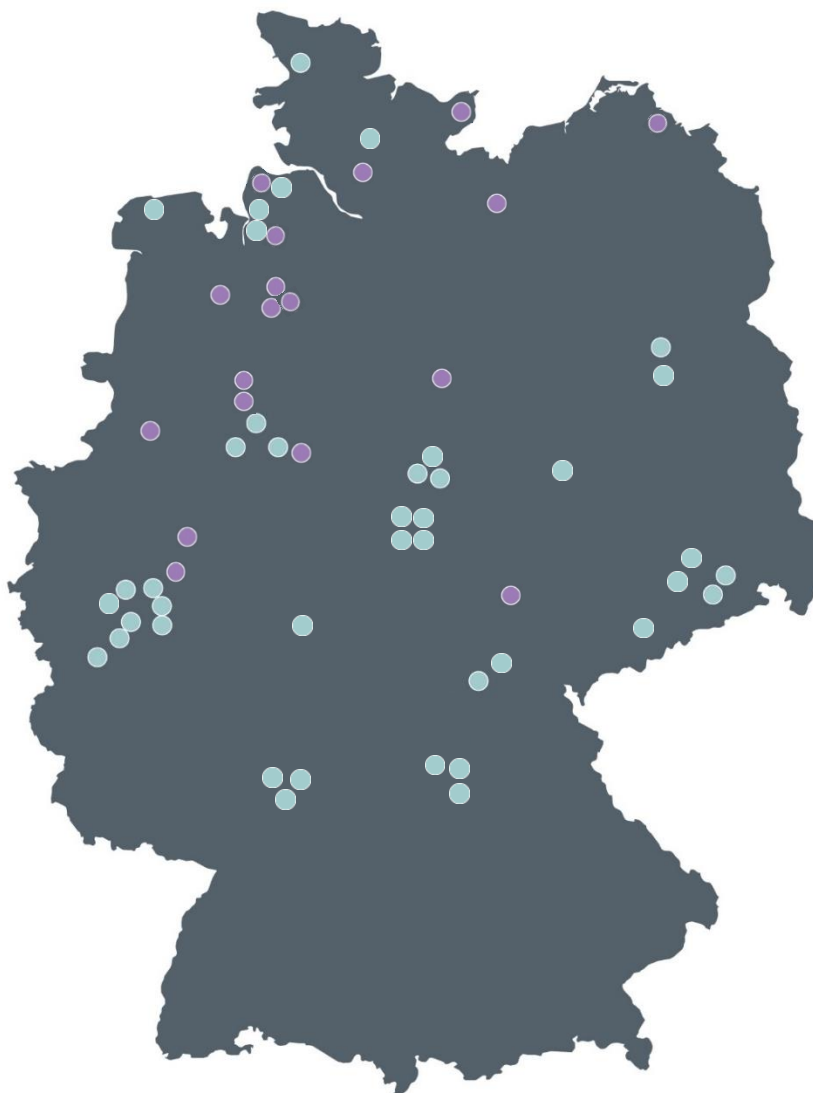
- Growth potential due to ageing of German population
- Healthcare real estate segment: consolidating quickly

German healthcare portfolio

(As of 31 December 2018)

Germany

- Senior housing
- To be completed



German healthcare portfolio

Service-Residenz
Schloss Bensberg,
Bergisch Gladbach
• 87 units



advita Haus Zur
Alten Berufsschule,
Zschopau
• 127 units



Bremerhaven I,
Bremerhaven
• 110 units



Käthe-Bernhardt-Haus,
Husum
• 83 units



Dutch healthcare portfolio

(As of 31 December 2018)

> Senior housing portfolio of 42 assets:

- Capacity of approx. 1,500 residents
- Total fair value of approx. €292 m
- Yield on fair value of 5.6 %¹
- Mostly triple net long leases
- Typical lease maturity: 15 - 20 years
- 10 main tenants (Blueprint Group, Compartijn, Domus Magnus, Het Gouden Hart, Martha Flora, Stepping Stones Home & Care, Stichting Vitalis RW, Stichting Oosterlengte, Stichting Zorggroep Noorderboog, Wonen bij September)
- 14 sites to be completed (€105 m)
- Portfolio outlook as of 20 February 2019: approx. €410 m

> The Netherlands:

- Healthcare real estate/senior housing: emerging market

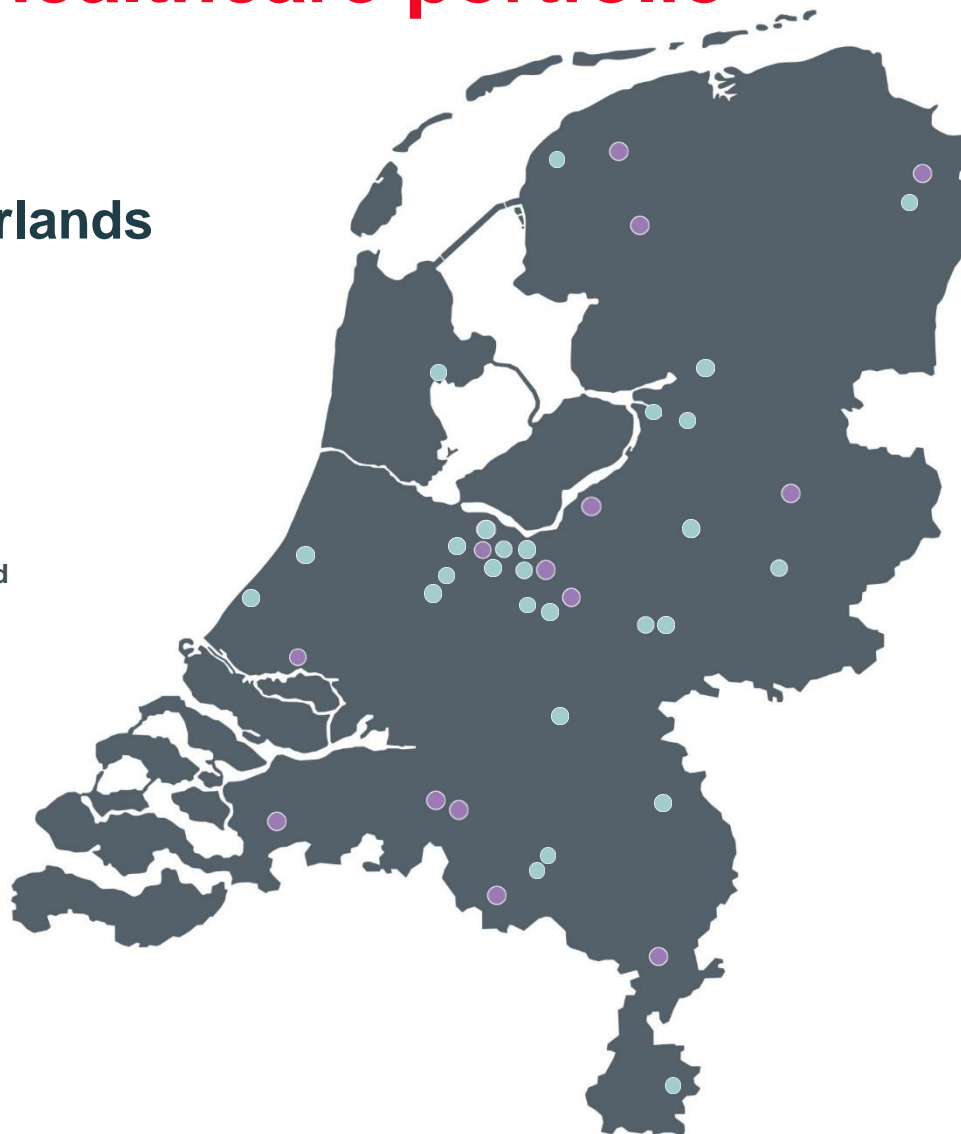
¹ Yields on fair value care residences: 6% - 7%. Yields on fair value senior apartments: 5% - 6%.

Dutch healthcare portfolio

(As of 31 December 2018)

The Netherlands

- Senior housing
- To be completed



Dutch healthcare portfolio

Martha Flora
Hilversum,
Hilversum
• 31 units



Het Gouden Hart,
Kampen
• 37 units



Zorgresidentie
Mariëndaal,
Velp
• 75 units



Het Dokhuis,
Oude Pekela
• 32 units



UK healthcare portfolio

(As of 1 February 2019)

> Senior housing portfolio of 92 assets:

- Capacity of approx. 5,700 residents
- Acquisition value of approx. £450 m
- Contractual rent: approx. £32 m¹
- Initial gross yield: approx. 7%
- WAULT: >22 years
- 14 tenants (Burlington Care, Maria Mallaband Care Group, Bondcare, Care UK, Renaissance Care, Four Seasons Health Care, Harbour Healthcare, Caring Homes Group, Select Healthcare Group, Brighterkind, Majesticare, Conniston Care, Priory and Lifeways)
- Good geographical diversification: 26% of rent income in London and South East
- Inflation linked triple net leases
- Opportunities for further development (incl. yielding capex)
- Experienced portfolio management platform: Layland Walker

¹ Contractual rent = annualised rent for 92 properties (incl. the green field project to be delivered in Ottery) based on lease agreements in place on 1 February 2019, excl. current rent incentives or expected rent increases for capex projects to be completed (with the exception of Ottery). Estimated passing rent is expected to increase to approx. £33-34 million over 2 to 3 years given expiration of rent incentives, completion of projects and indexation assumptions.

UK healthcare portfolio

UK elderly care market

> Ageing UK population

- Demographic change is one of the key drivers of increasing demand for care assets
- Population of +85 years expected to double over the next 25 years
- Segment of +85 years shows the highest care needs

> Fragmented UK care home market

- Top 4 largest operators account for approx. 15% of the market
- Top 30 largest operators account for approx. 30% of the market

> Under-provision of beds

- The UK provides approx. 466,000 beds for elderly, nursing and physically disabled
- The equipment rate in the UK is lower than in BE, G, NL
- Market occupancy is currently at record levels of approx. 90%
- In recent years, new build has not always kept up with de-commissioning¹

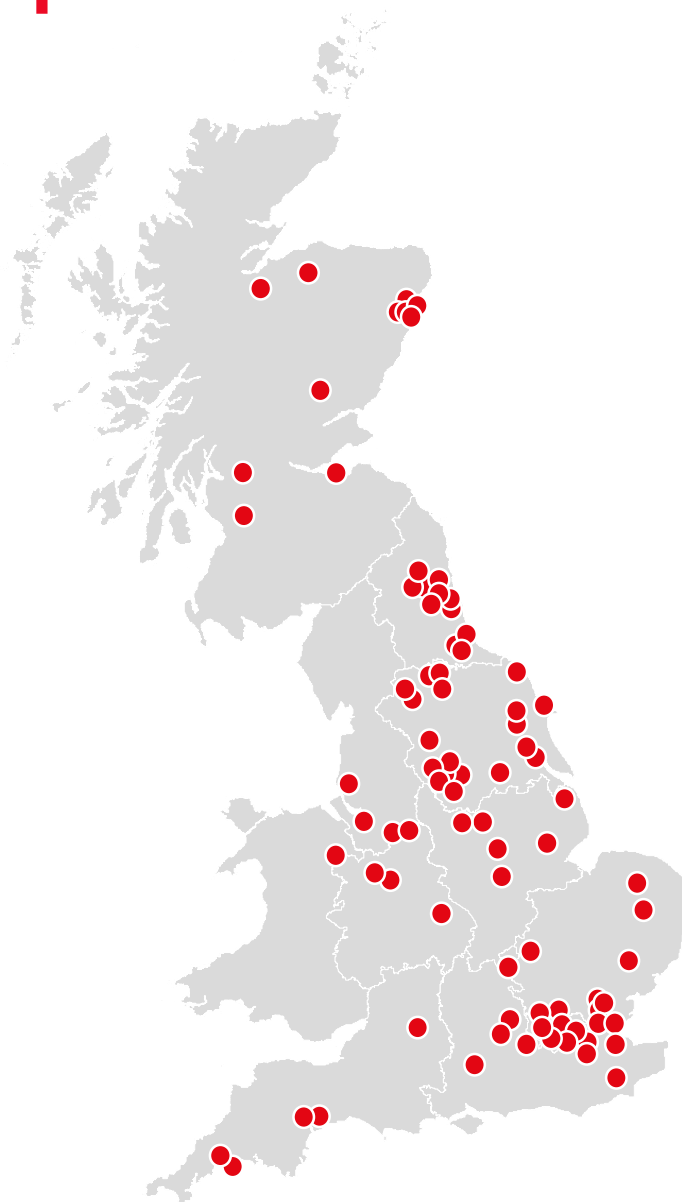
¹ Knight Frank UK Healthcare Development Opportunities September 2017

UK healthcare portfolio

(As of 1 February 2019)

United Kingdom

● Senior housing



UK healthcare portfolio

Coplands,
London
• 79 units



Armstrong House,
Gateshead
• 71 units



Heritage,
Tooting
• 72 units



River View,
Reading
• 137 units

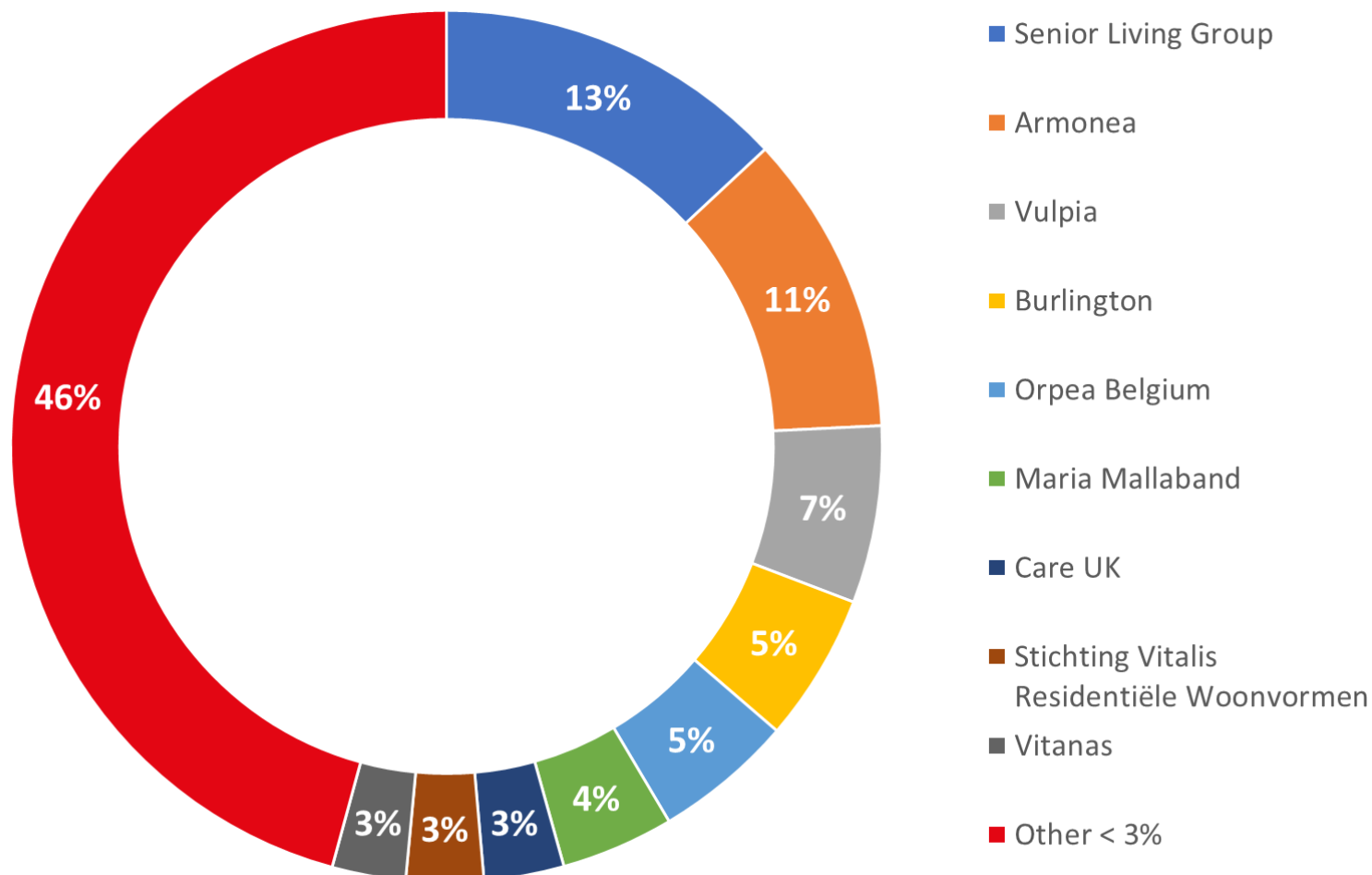


Highfield,
Castleford
• 88 units



Healthcare real estate tenants

Est. tenant diversification¹



¹ Based on the contractual rents as of 30 September 2018 and the estimated impact of the acquisition of the UK portfolio

Healthcare real estate tenants

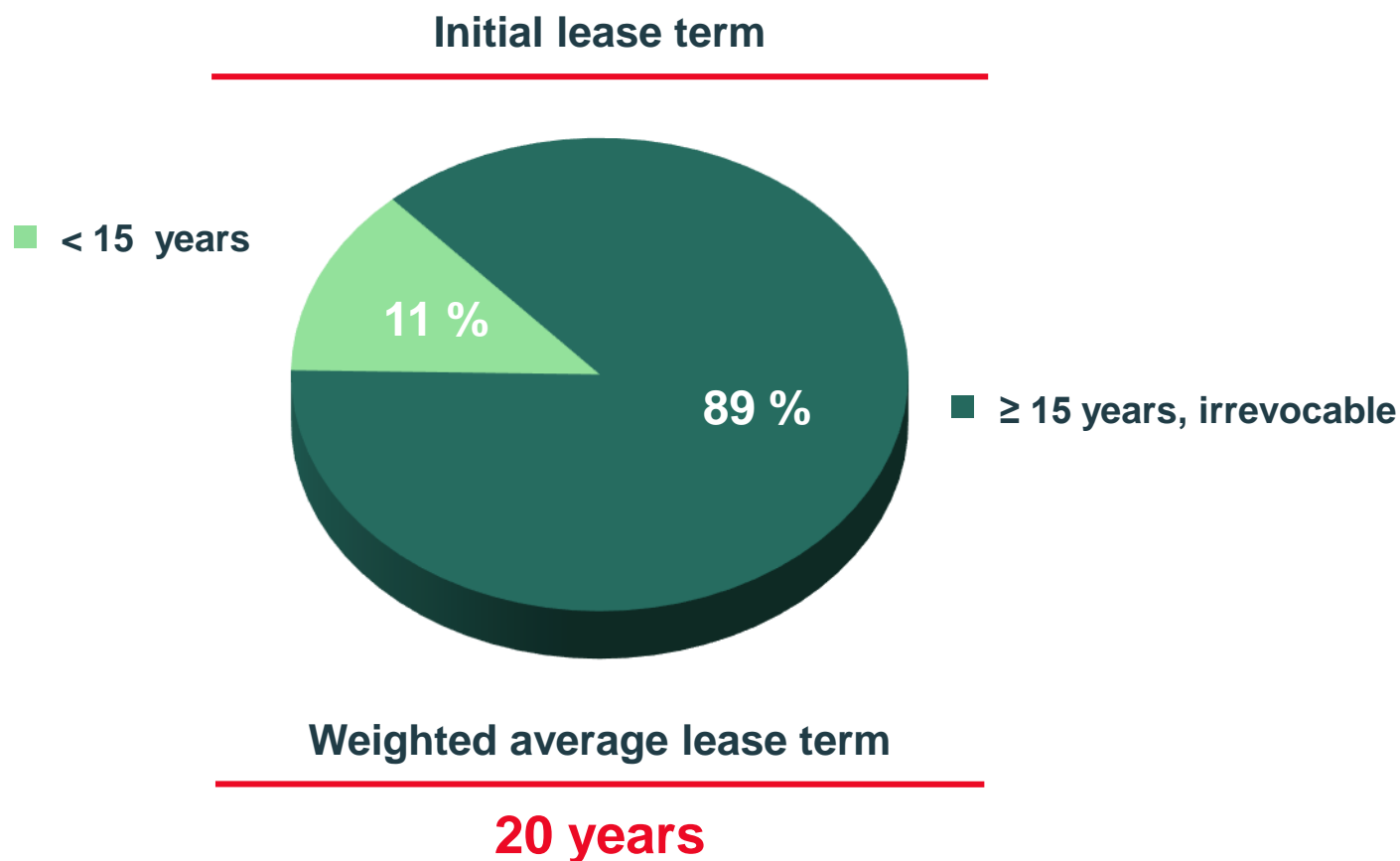
- > 251 sites with >100 tenants (or >50 'groups')¹ representing European, national and local profit and not-for-profit operators



¹ The situation as of 1 February 2019 includes the portfolio as of 31/12/2018 and the impact of the acquisition of the UK portfolio.

Lease maturity

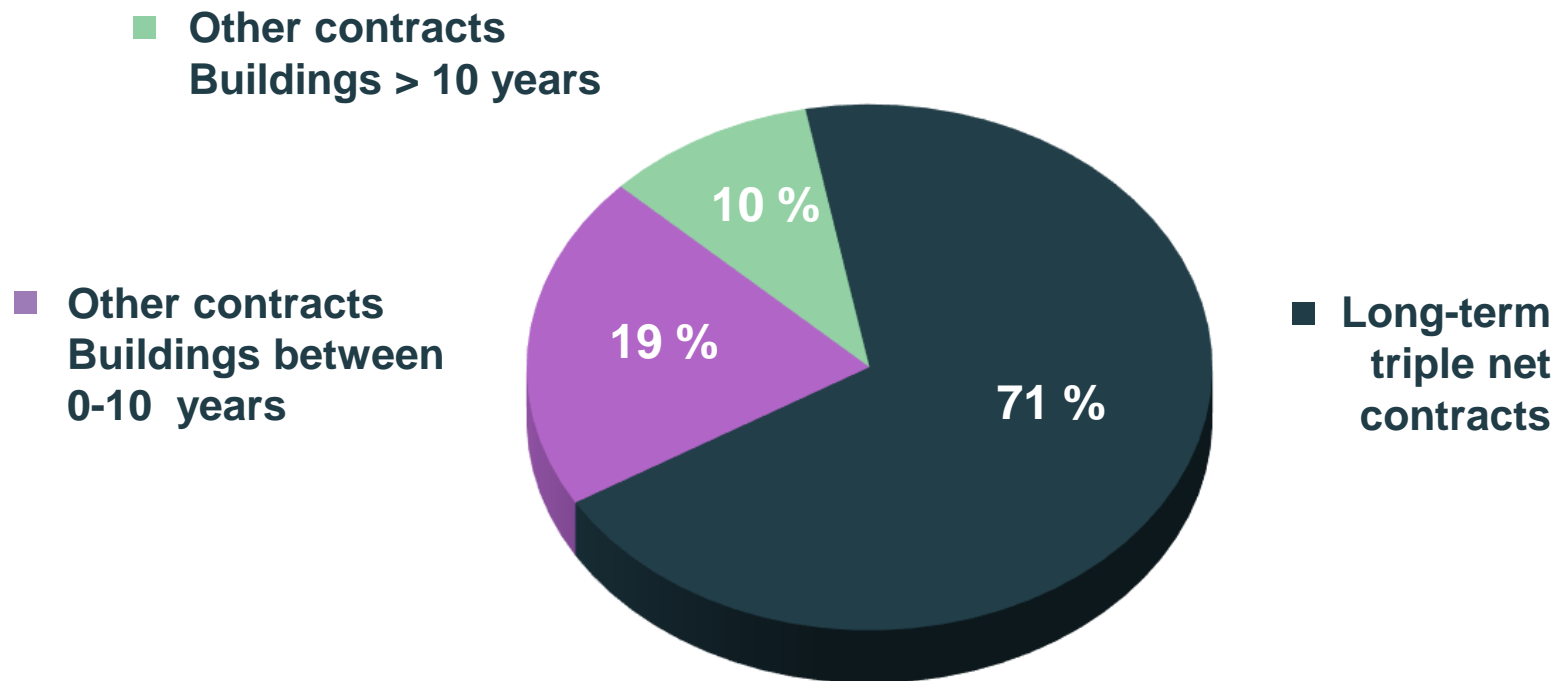
(As of 31 December 2018)



Marketable investment properties incl. assets classified as held for sale (€1,907 m).

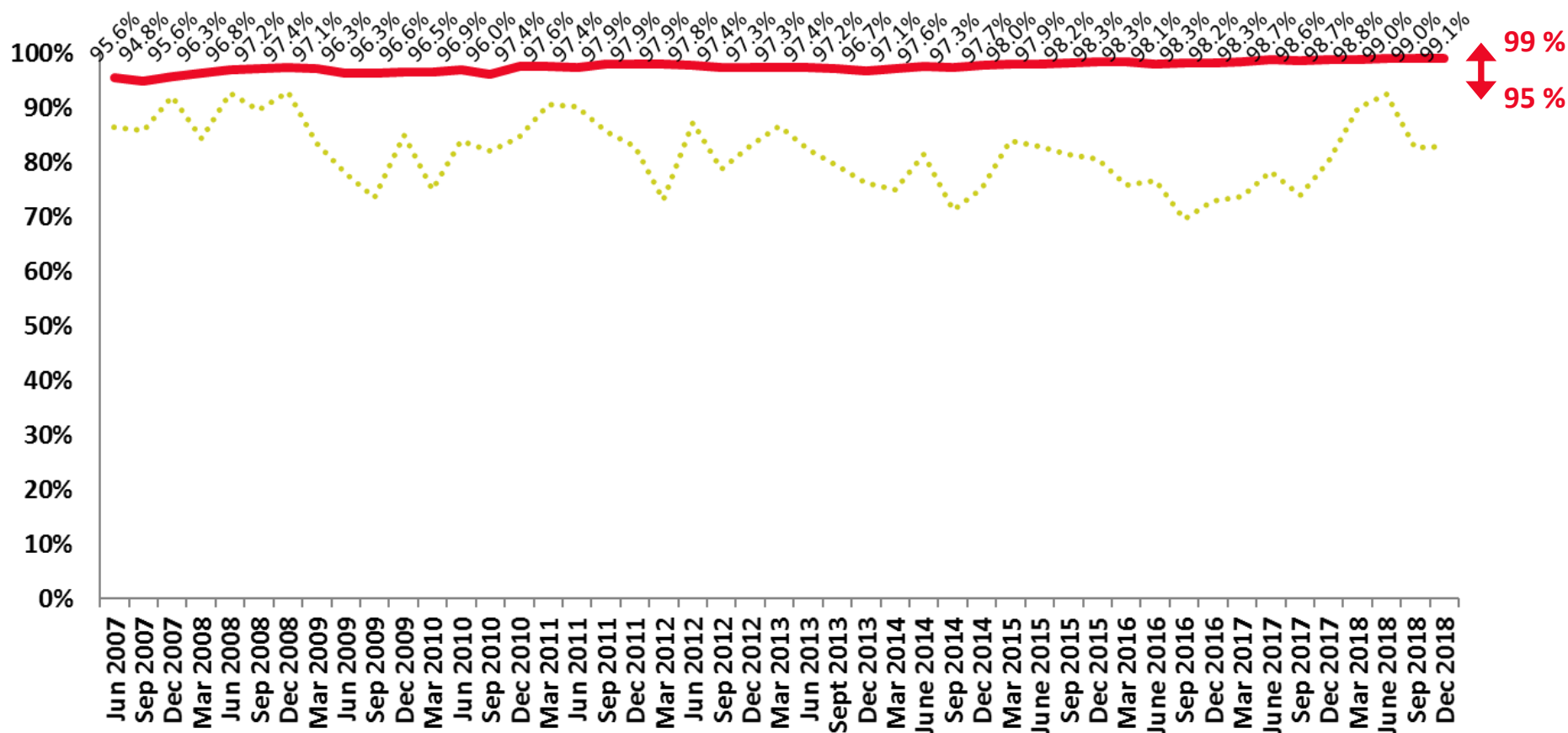
Age of buildings

(As of 31 December 2018)



Marketable investment properties incl. assets classified as held for sale (€1,907 m).

Occupancy rate



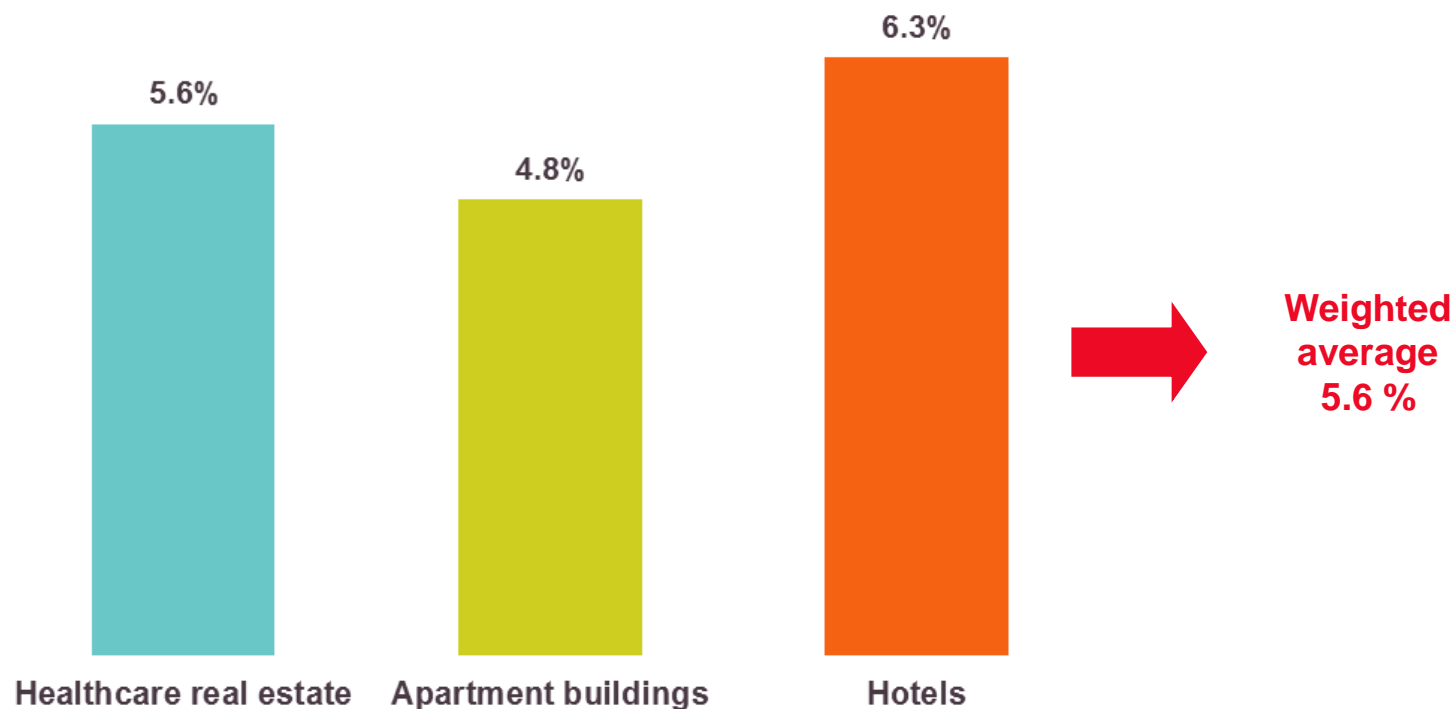
→ Very high and stable occupancy rates

Red line: Total portfolio (excl. furnished apartments) (96% of portfolio) : (contractual + guaranteed rents) / (contractual rents + ERV for unlet spaces).

Green dots: Furnished apartments (4% of portfolio) : Rented days QTD / total number of days QTD. Occupancy rate YTD 2018/2019: 82,9%; FY 2017/2018: 84.1%.

Gross yields on fair value

(As of 31 December 2018)



Segment EBIT margins*



Healthcare
real estate



Apartment
buildings



Hotels

(As of 31 December 2018)

	Healthcare real estate	Apartment buildings	Hotels	Unallocated & inter-segment	TOTAL
FY 2007/2008	100 %	64 %	98 %	-	68 %
FY 2008/2009	100 %	64 %	96 %	-	71 %
FY 2009/2010	100 %	64 %	99 %	-	73 %
FY 2010/2011	100 %	64 %	98 %	-	75 %
FY 2011/2012	100 %	63 %	99 %	-	76 %
FY 2012/2013	100 %	61 %	100 %	-	76 %
FY 2013/2014	100 %	59 %	99 %	-	77 %
FY 2014/2015	99 %	58 %	99 %	-	78 %
FY 2015/2016	99 %	59 %	99 %	-	80 %
FY 2016/2017	99 %	63 %	99 %	-	83 %
FY 2017/2018	98 %	60 %	99 %	-	84 %
H1 2018/2019	97 %	73 %	99 %	-	83 %

→ **Stable EBIT margins**

Due to IFRIC 21, the total EBIT margin is usually higher in H1 than the expected FY total EBIT Margin.

Total EBIT margin excl. IFRIX 21 = 82 % instead of 84 %.

* EBIT / net rental income

Valuation of property*

2008 → 2019

	FY 2008/2009		FY 2009/2010		FY 2010/2011		FY 2011/2012		FY 2012/2013	
	€k	%	€k	%	€k	%	€k	%	€k	%
Healthcare	13	0%	1,684	1%	6,072	2%	5,991	2%	7,347	2%
Apartment buildings	-7,851	-4%	-1,904	-1%	1,552	1%	3,032	2%	-82	0%
Hotels	-1,415	-4%	-963	-2%	1,191	2%	45	0%	-1,017	0%
Total	-9,253	-3%	-1,183	0%	8,815	2%	9,068	2%	6,248	1%
Limited decrease → Resilience → Increase → Increase → Increase										

	FY 2013/2014		FY 2014/2015		FY 2015/2016		FY 2016/2017		FY 2017/2018		H1 2018/2019	
	€k	%	€k	%	€k	%	€k	%	€k	%	€k	%
Healthcare	5,896	1%	13,343	2%	17,588	2%	18,782	2%	22,475	2%	15,292	1%
Apartment buildings	-145	0%	1,061	1%	339	0%	218	0%	2,474	1%	7,974	4%
Hotels	-99	0%	125	0%	-1,062	-1%	-2,880	-4%	277	0%	-57	0%
Total	5,652	1%	14,529	2%	16,865	2%	16,119	1%	25,226	2%	23,208	1%
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.

Portfolio growth

Development projects as of 31 December 2018 (1)

Projects and renovations (in € million)			Investment	Inv. as of 31/12/2018	Future inv.	Comment
Projects in progress			159	57	102	
Completion 2018/2019			55	36	19	
B	Plantijn II	Kapellen	4	3	1	Extension and renovation of a rest home
B	Vinkenbosch II	Hasselt	2	1	1	Renovation of a rest home
DE	Seniorenresidenz Laurentiusplatz	Wuppertal	2	0	2	Renovation of a rest home
NL	LTS Winschoten	Winschoten	11	9	2	Construction of a care residence
NL	Huize de Compagnie	Ede	7	6	1	Construction of a care residence
NL	Martha Flora Rotterdam	Rotterdam	6	4	2	Construction of a care residence
NL	De Merenhoef	Maarssen	4	0	4	Extension and renovation of a rest home
NL	Huize Roosdael	Roosendaal	5	4	1	Construction of a care residence
NL	Stepping Stones Leusden	Leusden	3	1	2	Construction of a care residence
NL	Huize Groot Waardijn	Tilburg	5	4	1	Construction of a care residence
NL	Huize Eresloo	Duizel	5	3	3	Construction of a care residence
Completion 2019/2020			70	21	50	
B	Kasteelhof	Dendermonde	3	0	3	Extension of a rest home
B	Résidence Aux Deux Parcs	Jette	3	0	3	Extension of a rest home
B	't Hoge III	Kortrijk	2	0	2	Extension of a rest home
B	De Duinpieper	Oostende	2	1	1	Extension and renovation of a rest home
B	Plantijn III	Kapellen	1	0	1	Extension and renovation of a rest home
DE	Bonn	Bonn	1	0	1	Renovation of a rest home
DE	Residenz Zehlendorf	Berlin	5	3	2	Renovation of a rest home
DE	Schwerin	Schwerin	11	5	7	Construction of a rest home
DE	Kaltenkirchen	Kaltenkirchen	15	4	11	Construction of a rest home
DE	Lübbecke	Lübbecke	9	6	4	Construction of a rest home
NL	Sorghuys Tilburg	Berkel-Enschot	3	1	2	Construction of a care residence
NL	Verpleegcentrum Scheemda	Scheemda	4	0	4	Construction of a rest home
NL	De Statenhof	Leiden	2	0	2	Extension and renovation of a rest home
NL	Residentie Boldershof	Amersfoort	1	0	1	Renovation of a rest home
NL	Het Gouden Hart Harderwijk	Harderwijk	7	0	7	Construction of a senior housing site
Completion 2020/2021			34	1	33	
NL	Residentie Sibelius	Oss	9	0	9	Extension of a senior housing site
NL	Nieuw Heerenhage	Heerenveen	20	1	19	Construction of a senior housing site
NL	Stepping Stones Zwolle	Zwolle	5	0	5	Construction of a care residence

Portfolio growth

Development projects as of 31 December 2018 (2)

Projects and renovations (in € million)			Investment	Inv. as of 31/12/2018	Future inv.	Comment
Projects in progress			159	57	102	
Land reserve			2	2	0	
B	Plot of land Bois de la Pierre	Wave	2	2	0	-
Acquisitions subject to outstanding conditions			536	0	536	
Completion 2018/2019			536	0	536	
DE	SARA Seniorenresidenz	Bitterfeld	10	0	10	Acquisition of a rest home
DE	Seniorenheim J.J. Kaendler	Meissen	4	0	4	Acquisition of a rest home
DE	Seniorenwohnpark Hartha	Hartha	12	0	12	Acquisition of a rest home
DE	Seniorenpflegezentrum Zur alten Linde	Rabenau	6	0	6	Acquisition of a rest home
UK	Aedifica UK portfolio	United Kingdom	503	0	503	Acquisition of a portfolio of 92 assets
Projects subject to outstanding conditions			279	0	279	
Completion 2019/2020			96	0	96	
B	Mechelen	Mechelen	15	0	15	Acquisition of a new rest home
G	Specht Gruppe (phase I)	Germany	41	0	41	Constuction & acquisition of care campuses
G	Azurit Weimar	Weimar	16	0	16	Acquisition of a new rest home
G	Frohnau	Berlin	1	0	1	Renovation of a rest home
G	Wald-Michelbach I	Wald-Michelbach	2	0	2	Extension of a rest home
NL	Rendant Aldlânstate	Leeuwarden	20	0	20	Construction of a senior housing site
Completion 2020/2021			117	0	117	
G	Specht Gruppe (phase II)	Germany	108	0	108	Constuction & acquisition of care campuses
B	Uilenspiegel	Genk	2	0	2	Extension of a rest home
B	Sorgvliet	Linter	5	0	5	Extension of a rest home
B	Résidence de la Paix	Evere	2	0	2	Extension of a rest home
Completion 2021/2022			66	0	66	
G	Specht Gruppe (phase III)	Germany	66	0	66	Constuction & acquisition of care campuses
TOTAL PIPELINE			976	59	917	
Changes in fair value			-	1		
Roundings			-	-2	-	
On balance sheet				57		

Portfolio growth

Development projects as of 31 December 2018 (3)

Country	Development projects (in € million)
Belgium	44
Germany	312
The Netherlands	117
United Kingdom	503
Total	976

Rent	Development projects ¹ (in € million)	Rent (in € million)	Yield ²
Triple net	673	48	7.1%
Double net	302	16	5.4%
Land reserves	2		
Total	976	64	

¹ Amounts excluding contractual value of plots of land

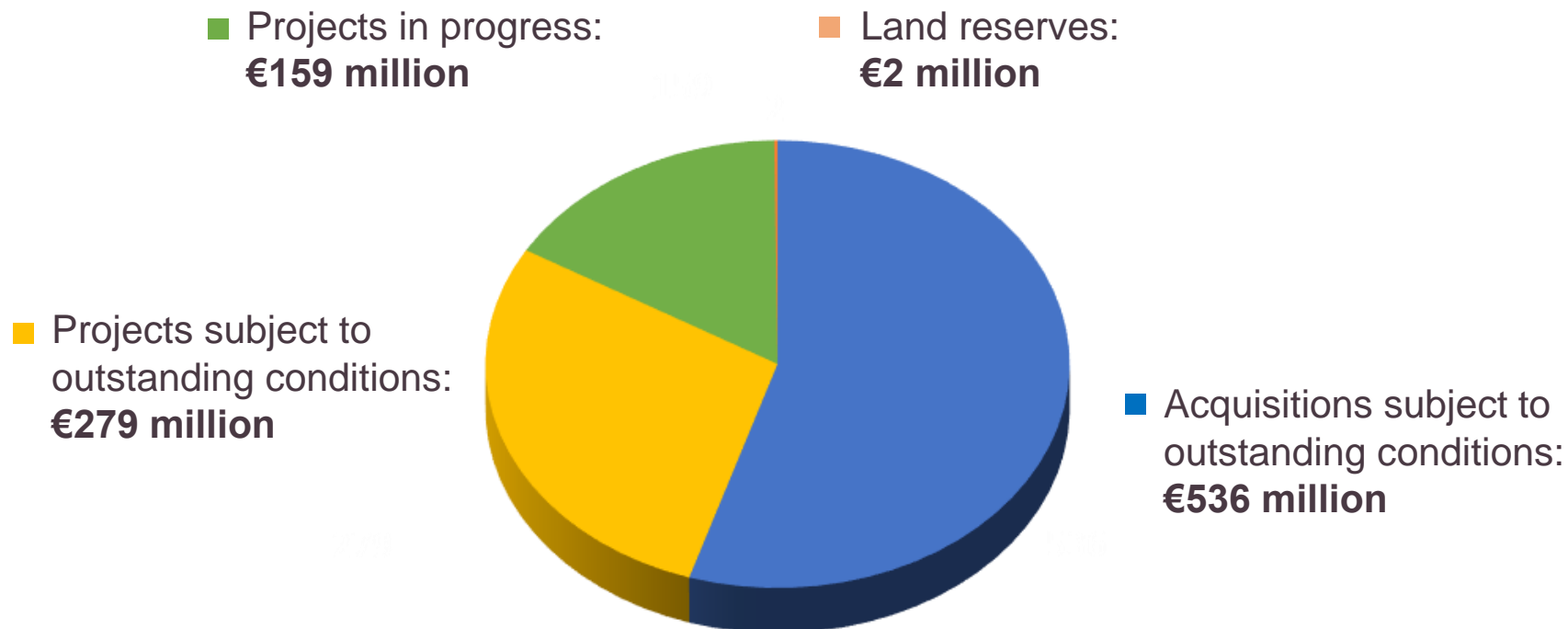
² Yields based on total investment (including plots of land)

Fiscal year	Development projects (in € million)	Rent (in € million)
2018/2019	587	41
2019/2020	171	11
2020/2021	151	9
2021/2022	66	3
Land reserves	2	0
Total	976	64

Development projects

Pipeline: €976 million

(As of 31 December 2018)

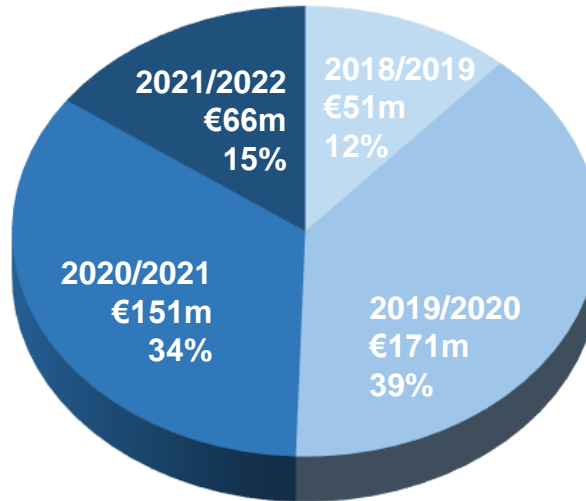
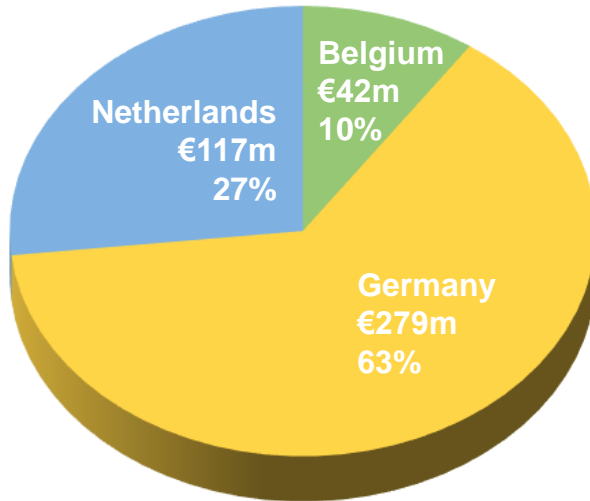


Development projects

Pipeline: €976 million

(As of 31 December 2018)

> Projects: €439 million



> IP, land reserves & others: €538 million

Development projects

Specht (AR1) – 01 Schwerin (DE)

Construction start:

28/02/2018

Expected completion:

2019/2020



Specht (AR1) – 02 Kaltenkirchen (DE)

Construction start:

31/05/2018

Expected completion:

2019/2020



Specht (AR1) – 03 Lübbecke (DE)

Construction start:

28/02/2018

Expected completion:

2019/2020



Seniorenzentrum Weimar (DE)

Expected completion

and acquisition:

2019/2020



Financials H1



Schloss Bensberg
Bergisch Gladbach - Germany

Income Statement

Business driven

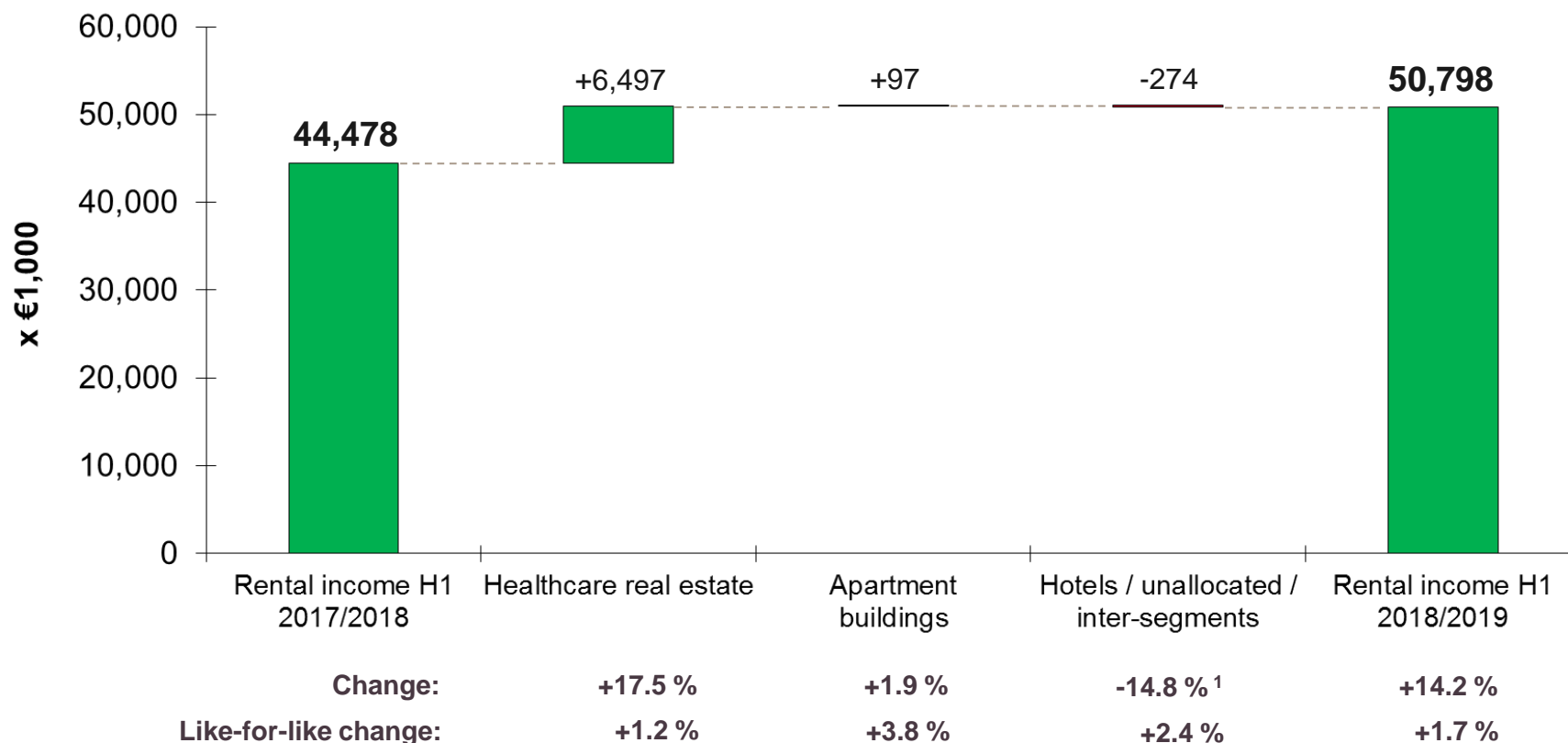
Income Statement - analytical scheme (x €1,000)

	31 December 2018	31 December 2017	Var.
Rental income	50,798	44,478	+14%
Rental-related charges	8	-27	
Net rental income	50,806	44,451	+14%
Operating charges	-8,671	-7,266	
Operating result before result on portfolio	42,135	37,185	+13%
EBIT margin %	83%	84%	
Financial result excl. changes in fair value	-8,634	-7,831	
Corporate tax	-1,379	-1,018	
Non-controlling interests in respect of EPRA Earnings*	-383	0	
EPRA Earnings (owners of the parent)	31,739	28,336	+12%
Denominator (IAS 33)	18,255,720	17,975,805	
EPRA Earnings (owner of the parent) per share (€/share)	1.74	1.58	10%

12 % increase in EPRA Earnings, above budget

Rental income

(As of 31 December 2018)

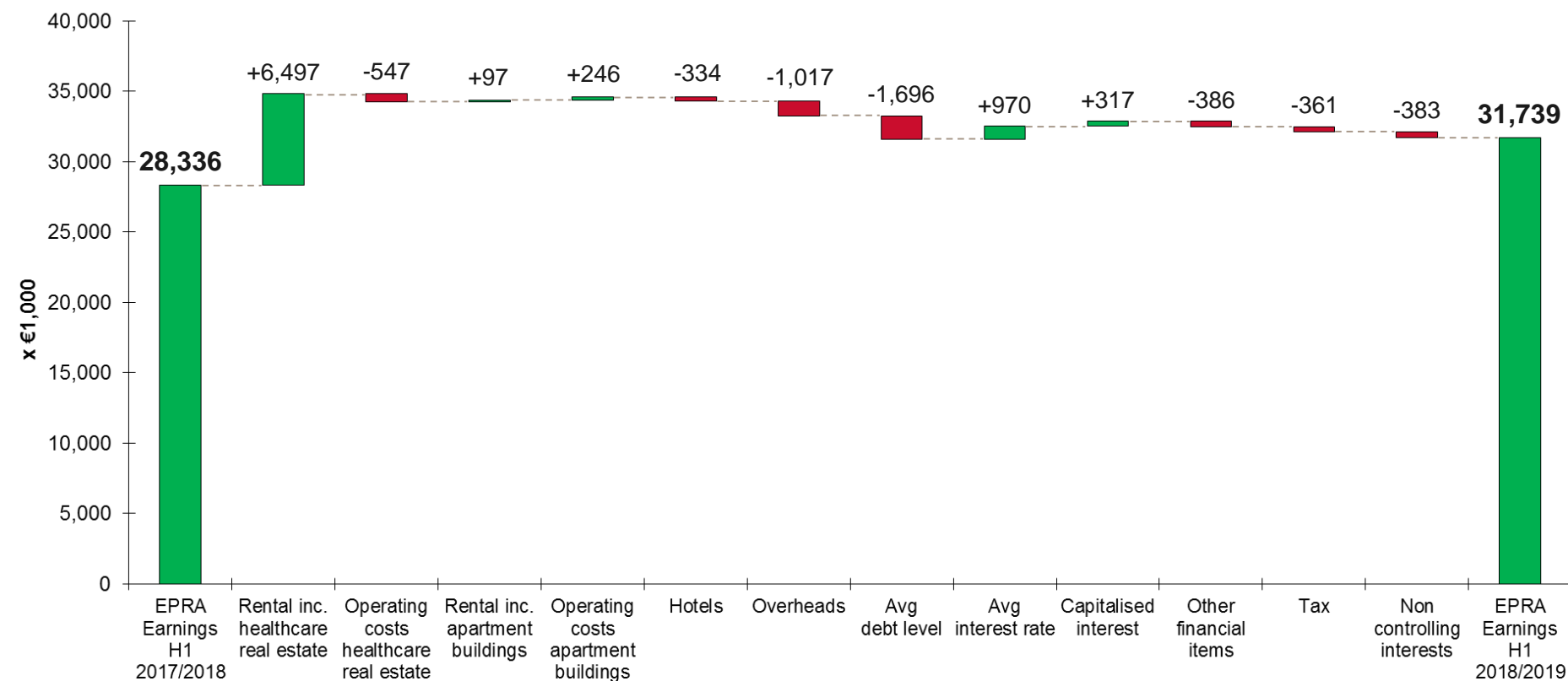


14 % increase YoY

¹ Due to the disposal of the Ring building in June 2018.

EPRA Earnings

(As of 31 December 2018)



EPRA Earnings vs Budget

(As of 31 December 2018)



Income Statement

Market driven

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

	31 December 2018	31 December 2017
EPRA Earnings	31,739	28,336
Changes in fair value of financial assets and liabilities	-187	-523
Changes in fair value of investment properties	13,095	8,989
Gains and losses on disposals of investment properties	-70	172
Negative goodwill / goodwill impairment	-132	0
Deferred taxes in respect of EPRA adjustments	-1,845	-549
Non-controlling interests in respect of the above	-3,833	0
Roundings	1	-1
Profit (owners of the parent)	38,768	36,424
Denominator (IAS 33)	18,255,720	17,975,805
Earnings per share (owners of the parent - IAS 33 - €/share)	2.12	2.03

Non cash

Hedging policy

(As of 31 December 2018)

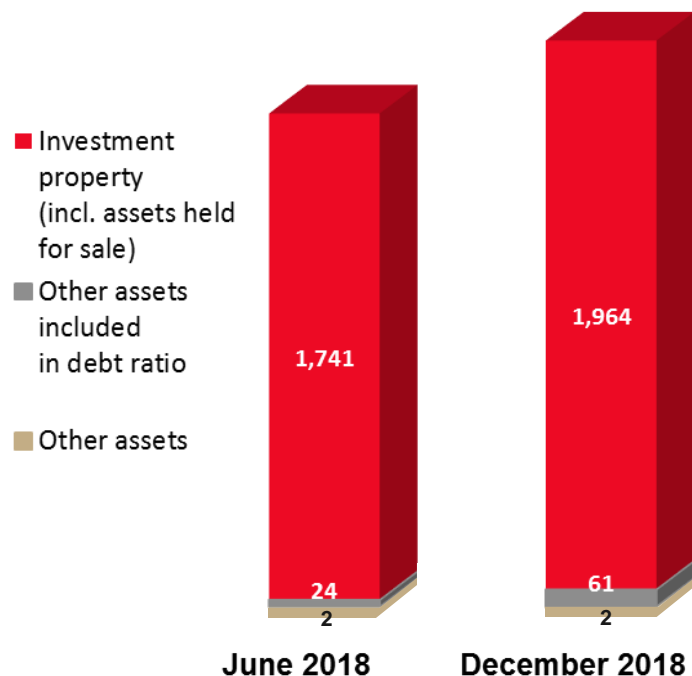
- > Economic **stability and foreseeability** of cashflows...
 - Business driven:**
Avg effective interest rate of 1.8%,
below PY (2.1%)
- > ... even in spite of accounting volatility
 - Market driven:**
Changes in FV of derivatives (non cash items):
+€227 k in result (vs. -€65 k in H1 PY)
-€-1,256 k in equity (vs. +€796 k in H1 PY)
- > **Hedging policy:**
 - hedges for $\geq 60\%$ of floating rate debt
 - Current hedging ratio $\pm 80\%$

Consolidated balance sheet (€ m)

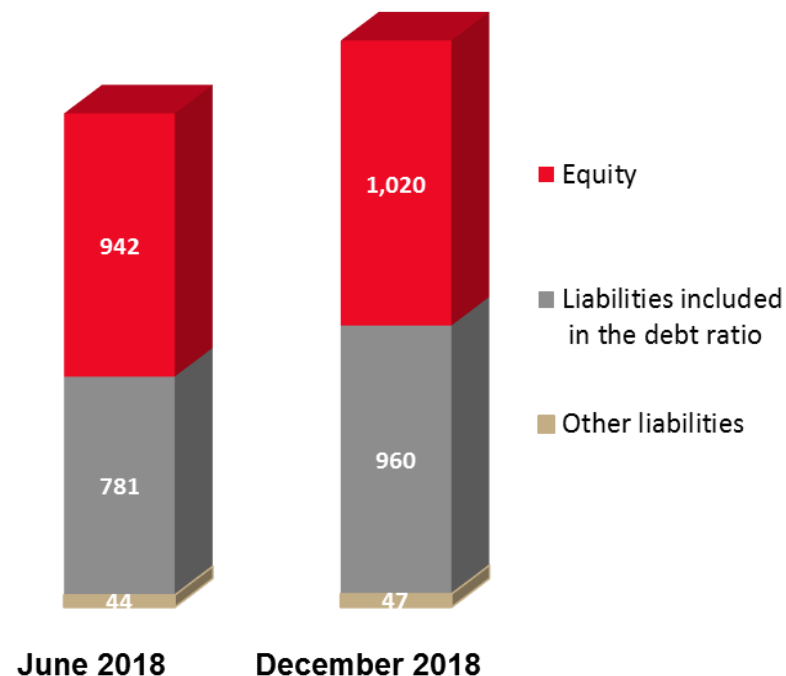
Balance sheet total: €2.03 billion

(As of 31 December 2018)

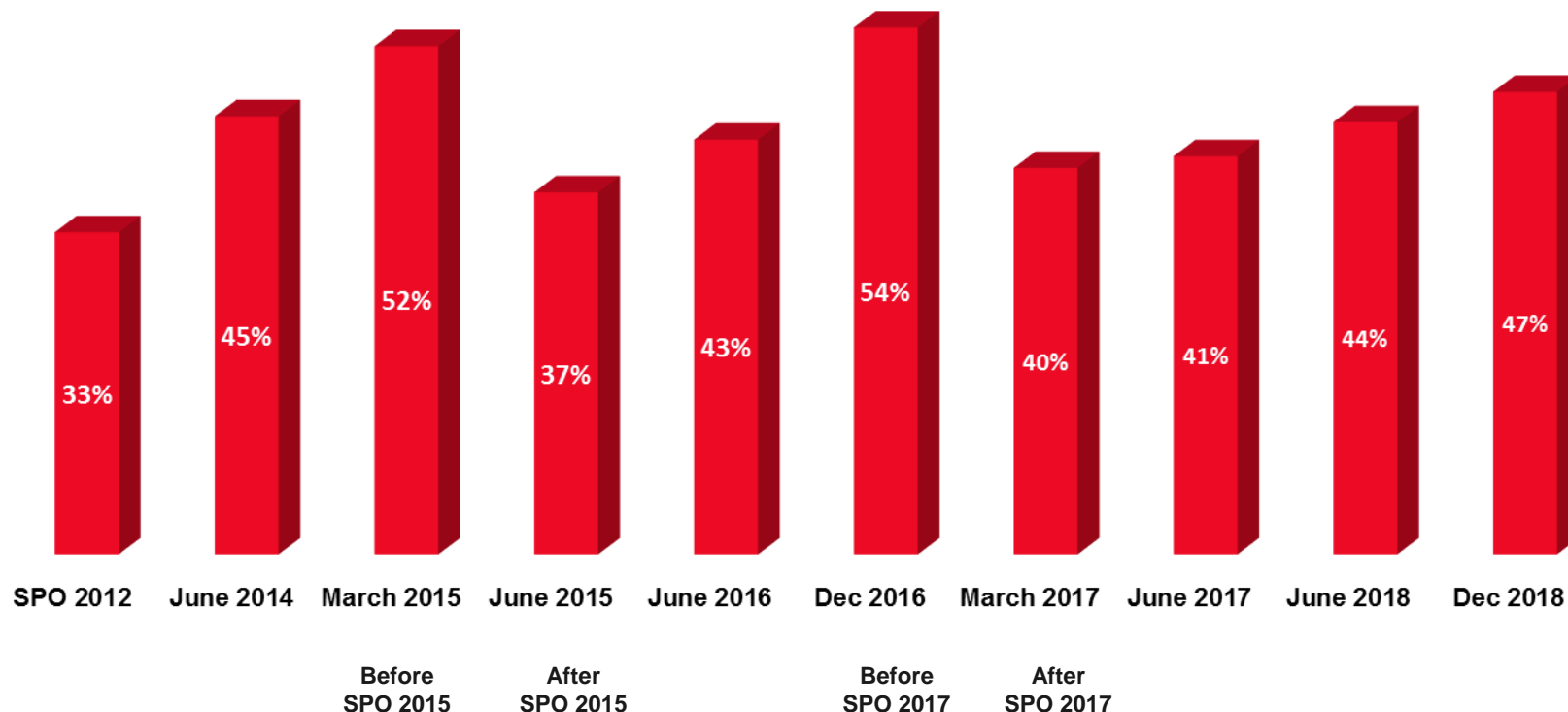
Assets



Equity & Liabilities



Debt-to-assets ratio



Headroom*:

- Debt increase of €255 m without investments or €637 m with investments
- Drop of MTM of buildings of 22 %

* Based on bank covenant of max. 60 %. Based on legal max. of 65 %, headroom is respectively €356 m, €1,017 m and -28 %.

Credit facilities

(As of 31 December 2018)

	Amount (€m)	Utilisation
2018/2019	3	3
2019/2020	55	55
2020/2021	89	89
2021/2022	171	76
2022/2023	205	75
2023/2024	256	146
2024/2025	336	251
2025/2026 and subsequent :	187	137
Total	1,302	832
Treasury notes (duration <1 year)		100
Total Financial Debt		932
Weighted Average Maturity (years)*	5.0	5.0

* Without regard to treasury notes and a bridge facility.

→ Approx. €130 m refinanced or added during H1 2018/2019

→ Only €3 million maturing during the 2018/2019 financial year

→ 12 months bridge loan to fund UK acquisition with 2 tranches: €180 m and £150 m

Net asset value

Net asset value per share (in €)	31 December 2018	30 June 2018	Var.
Based on fair value of investment properties			
Net asset value	51.94	49.24	5%
Effect of the changes in fair value of hedging instruments	<u>1.98</u>	<u>1.95</u>	
Net asset value excl. changes in fair value of hedging instruments*	53.92	51.19	5%

Premium on 18 February 2019:
60 % vs NAV at FV incl. IAS 39
54 % vs NAV at FV excl. IAS 39

Value potentially not reflected in the NAV

- > Belgian REIT → highly regulated framework
- > Pure play healthcare REIT in Europe
- > Assessment: long term cash flows at interesting yields
- > Inflation-linked contracts
- > Pipeline:
 - Committed
 - Pre-let
- > Track record of successful investments
- > Track record of successful financing (equity and debt)

> Aedifica included in the **EPRA** indices



EPRA
EUROPEAN PUBLIC
REAL ESTATE ASSOCIATION

> EPRA metrics:

Key performance indicators according to the EPRA principles

	31 December 2018	31 December 2017
EPRA Earnings* (in €/share)	1.74	1.58
EPRA Cost Ratio (including direct vacancy costs)* (in %)	17%	16%
EPRA Cost Ratio (excluding direct vacancy costs)* (in %)	17%	16%

	31 December 2018	30 June 2018
EPRA NAV* (in €/share)	54.33	51.52
EPRA NNAV* (in €/share)	51.68	48.86
EPRA Net Initial Yield (NIY) (in %)	5.1%	5.2%
EPRA Topped-up NIY (in %)	5.1%	5.2%
EPRA Vacancy Rate (in %)	1%	1%

Dividend Policy

- > **DPS 2017/2018: €2.50 / share (gross)**
 - 11% higher than PY
 - Optional dividend:
 - Option to subscribe for one new share at an issue price of €72.25 in exchange for 34 No. 19 coupons (valued at €2,125 net each)
 - 45% of shareholders opted for a contribution of their dividend resulting in a capital increase of €17 m

- > **DPS 2018/2019: €2.80 / share (gross)**
 - 12% higher than PY and in line with guidance
 - Subject to AGM to be held on 22 October 2019

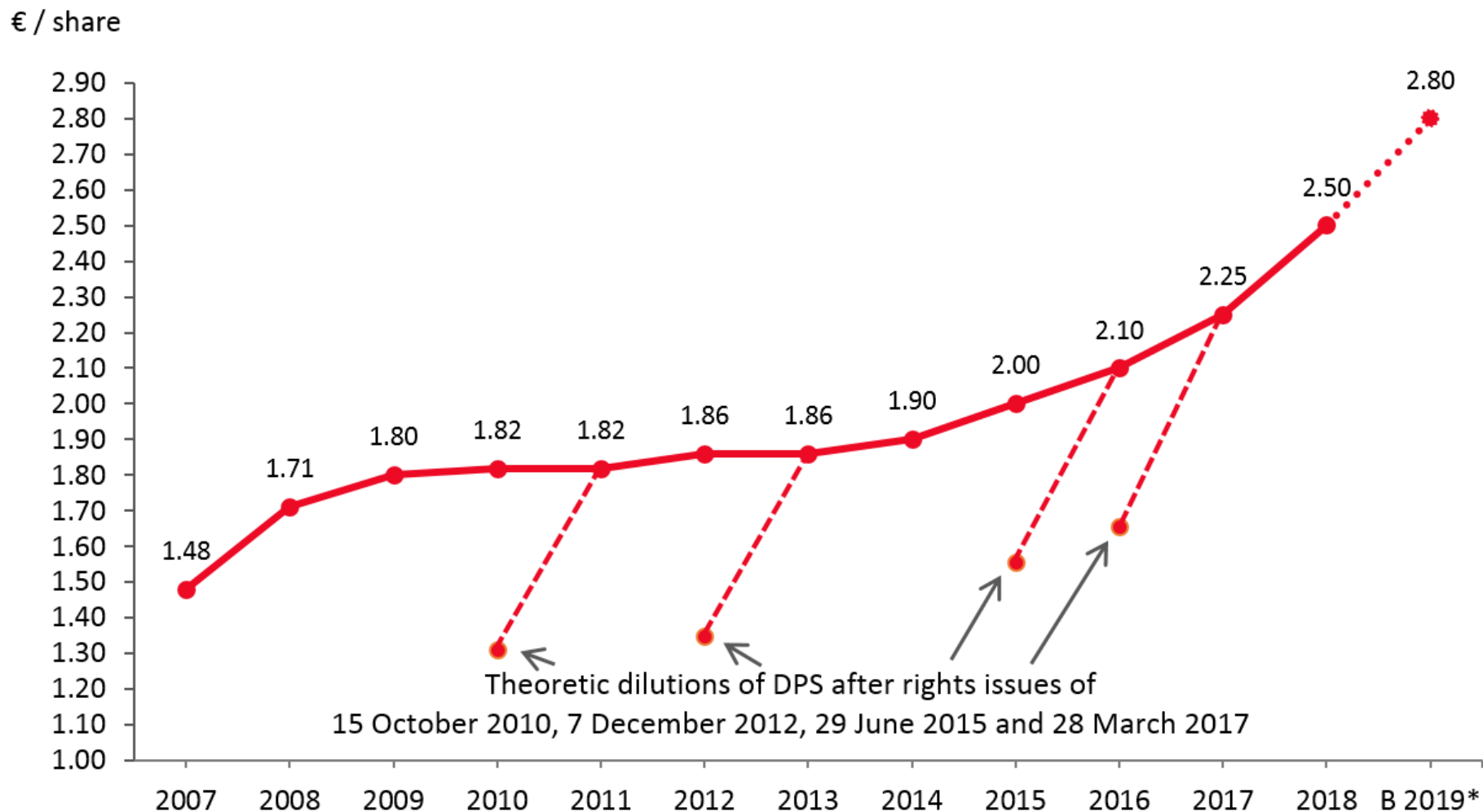
- > **Withholding tax:**
 - General rule: 30 %
 - Reduced to 15 % for healthcare REITs

Shares & shareholders



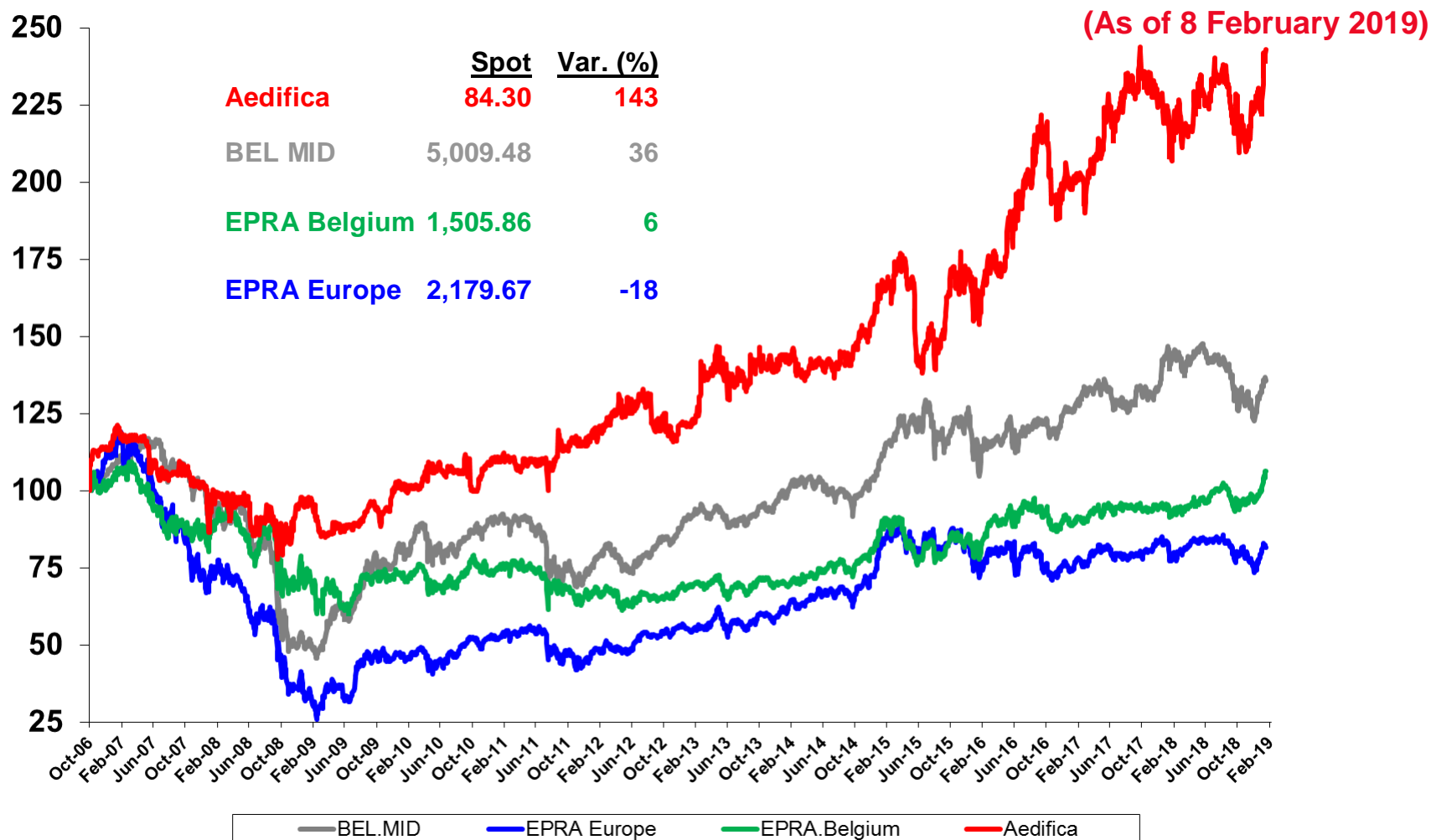
Villa Temporis
Hasselt - Belgium

Dividend track record



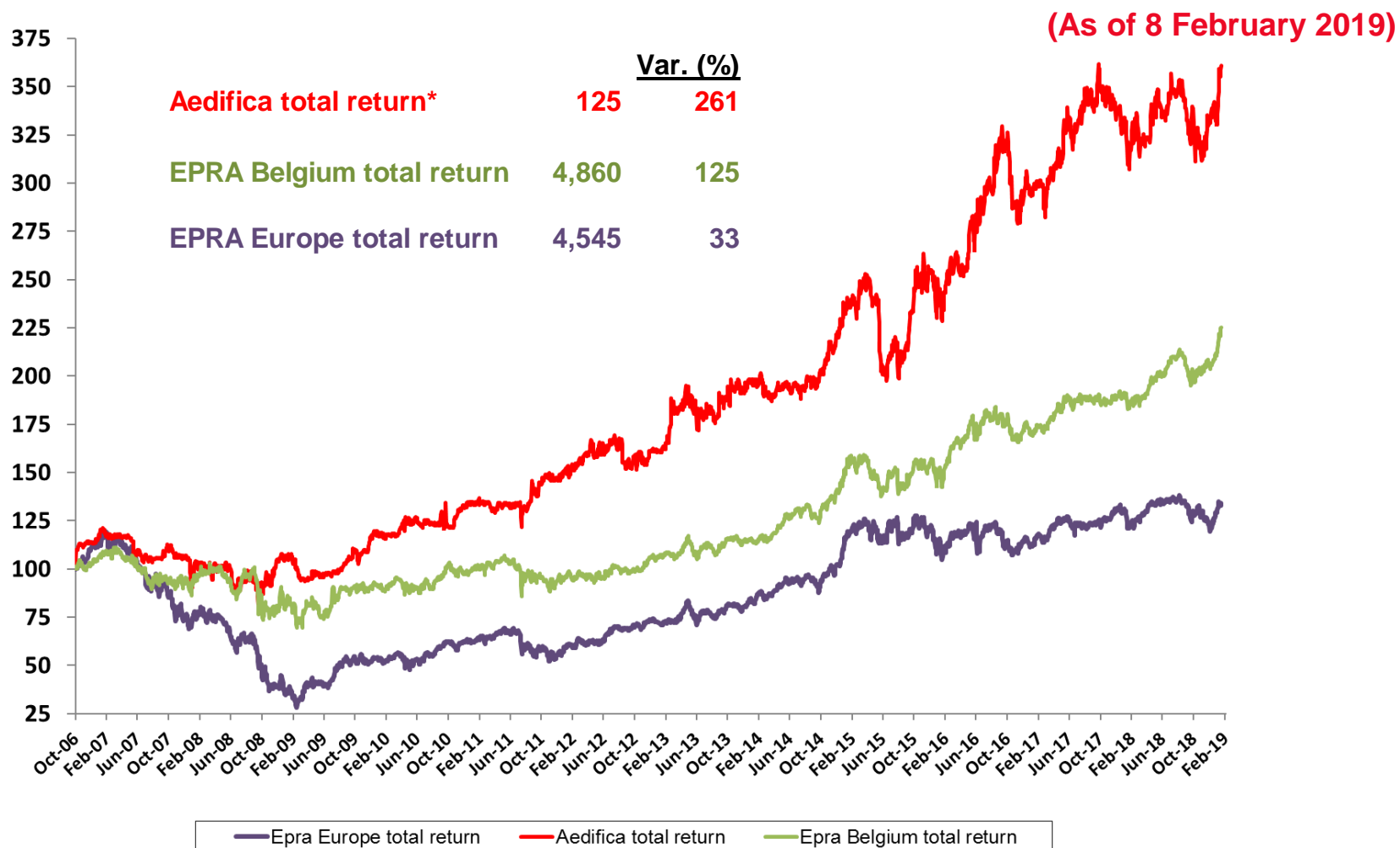
* 2018/2019 budgeted dividend (see section 11 of the Board of Directors' Report included in the 2017/2018 Annual Financial Report).

Share price since IPO



Aedifica: based on the IPO price (€41), adjusted to take into account the rights issues of 2010 (- €1.89), 2012 (- €1.93), 2015 (- €0.89) and 2017 (- €1,60), i.e. an adjusted IPO price of €34.68.

Total return since IPO



* Aedifica: based on the IPO price (€41), adjusted to take into account the rights issues of 2010 (- €1.89), 2012 (- €1.93), 2015 (- €0.89) and 2017 (- €1.60), i.e. an adjusted IPO price of €34.68.

Shareholding¹

(As of 31 December 2018)

- > Aedifica shareholders holding more than 5 % of the Company's capital:

SHAREHOLDERS	Share in capital (in %)
BlackRock, Inc.	5.09
Others < 5 %	94.91
Total	100.00

- > Aedifica's free float amounts to 100 %².

¹ A total of 18,441,426 shares are listed on Euronext Brussels (31 December 2018).

² According to the definition of Euronext.

- > The highest free float of all Belgian REITs
- > 3rd largest market cap amongst all Belgian REITs¹
- > Aedifica received the 'Investor of the Year 2018' award in Germany²

¹ Based on the 18 November 2019 "Weekly Value" table by Bank Degroof Petercam

² The 'Investor of the Year 2018' award was granted on 19 June 2018 by a panel of 11 professionals and the visitors of Altenheim Expo in Berlin.

Awards

EPRA

“EPRA Reporting: Best Practices Recommendations” (BPR)

- > Annual Report 2012/2013
(1st implementation of BPR)



- > Annual Report 2013/2014
- > Annual Report 2014/2015



- > Annual Report 2015/2016
- > Annual Report 2016/2017



> Transparency

- NV/SA
- Management in the box
- Belgian Code 2009 on Corporate Governance
- 100% free float
- No poison pills

> Board of Directors

- 9 Directors
 - 8 non-executive Directors of which 6 independent
 - 1 executive Director
 - Gender diversity ratio: 44 %
- Audit Committee
- Nomination & Remuneration Committee
- Investment Committee

> Management Committee

- 5 members
- Gender diversity ratio: 40 %

Management team

> Management committee

- CIO and CM&AO added on 1 October 2017
- New CFO joined the team on 1 September 2018

Name	Function
Stefaan Gielens	Chief Executive Officer (CEO)
Ingrid Daerden	Chief Financial Officer (CFO)
Laurence Gacoin	Chief Operating Officer (COO)
Charles-Antoine van Aelst	Chief Investment Officer (CIO)
Sven Bogaerts	Chief M&A Officer (CM&AO)

> Aedifica continues to strengthen its team to support its growth and internationalisation

- New team members in 2018: 11
- New team members in 2019: 5

Outlook



Seniorenheim am Dom
Halberstadt - Germany

> Focus on investments

- **New investments in healthcare real estate:**
 - Acquisition of a portfolio of 92 assets in the UK on 1 February 2019
 - New cash flow generating investments since 1 July 2018: €635 million vs B2019: €150 million
 - Development projects pipeline of €473 million
 - Targets being studied in The Netherlands, Germany, UK and Belgium
- **Objective for future growth:** EPS growth through
 - Enhancing long-term cash flows in healthcare real estate
 - Exploring new healthcare real estate segments
 - Exploring new countries

Outlook FY 2018/2019

> Focus on Immoibe (residential portfolio)

- **Contribution in kind of residential portfolio in Immoibe:**
 - 12 September 2018
- **Sale of 50 % (-1 share) of the Immoibe shares to Primonial European Residential Fund (PERF):**
 - 31 October 2018
- **Sale of extra 25 % of the Immoibe shares to PERF:**
 - Assumption in B2019: Q4 2018/2019
 - Deconsolidation of Immoibe by end 2018/2019?

> Focus on disposal of hotel portfolio: ongoing

→ **Anchoring Aedifica's strategy to become a 100% pure-play European healthcare REIT**

Outlook FY 2018/2019

- > **Budgeted rental income: €104 m**
 - > **Budgeted EPRA Earnings: €63 m**
 - > **Budgeted EPRA EPS: €3.45/share**
 - > **Budgeted DPS: € 2.80/share (gross), 12% higher than PY**
- **Excl. impact of UK portfolio**

Outlook FY 2018/2019

- > **UK acquisition** financed through new and existing credit facilities
 - Including a 12 months **bridge facility** with a €180 million tranche and a £150 million tranche
- > UK portfolio **increases debt-to-assets ratio** by 10 percentage points
- > **Maintaining sound balance sheet**
 - **Target** debt-to-assets ratio: 50% - 55%
 - **Refinancing** of the bridge facility expected in the course of 2019

Conclusion



Residentie Poortvelden
Aarschot - Belgium

Investment highlights

Attractiveness for shareholders:

- > Pure-play healthcare REIT in Europe
- > Strong underlying demographic trends
- > Long-term growth potential
- > Fair value history of portfolio showing resilience
- > Weighted average lease term: 20 years
- > Solid investment, equity and debt-financing track record
- > Strong dividend track record



Stefaan Gielens – Chief Executive Officer

Ingrid Daerden – Chief Financial Officer



Het Gouden Hart
Kampen - The Netherlands

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

This Presentation includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations concerning, among other things, the Company's results, condition, performance, prospects, growth, strategies and the industry in which the Company operates. These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause the Company's actual results, condition, performance, prospects, growth or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. The Company cautions you that forward-looking statements are not guarantees of future performance and that its actual results and condition and the development of the industry in which the Company operates may differ materially from those made in or suggested by the forward-looking statements contained in this document. In addition, even if the Company's results, condition, and growth and the development of the industry in which the Company operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in future periods. The Company and each of its directors, officers and employees expressly disclaim any obligation or undertaking to review, update or release any update of or revisions to any forward-looking statements in this Presentation or any change in the Company's expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.

Appendix

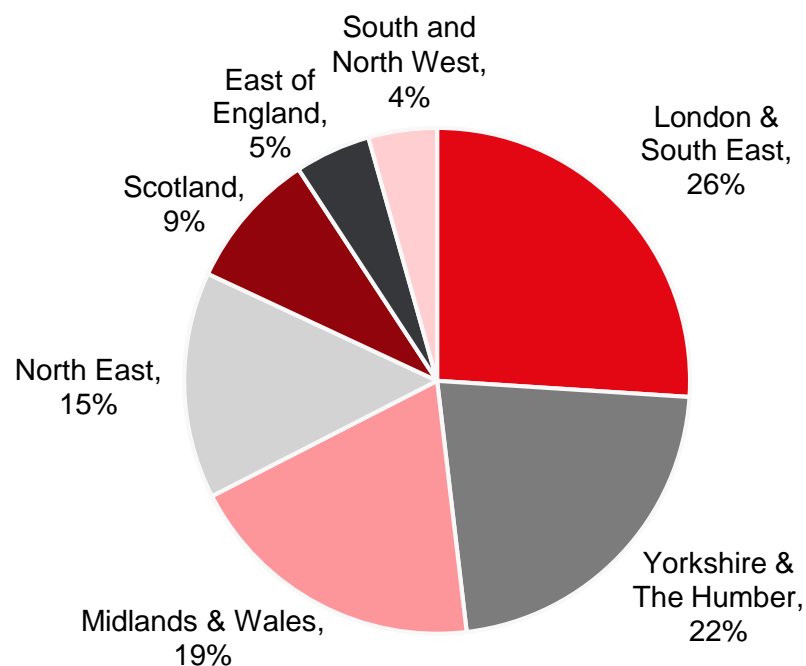


AGO Herkenrath
Bergisch Gladbach - Germany

UK portfolio

Key performance indicators

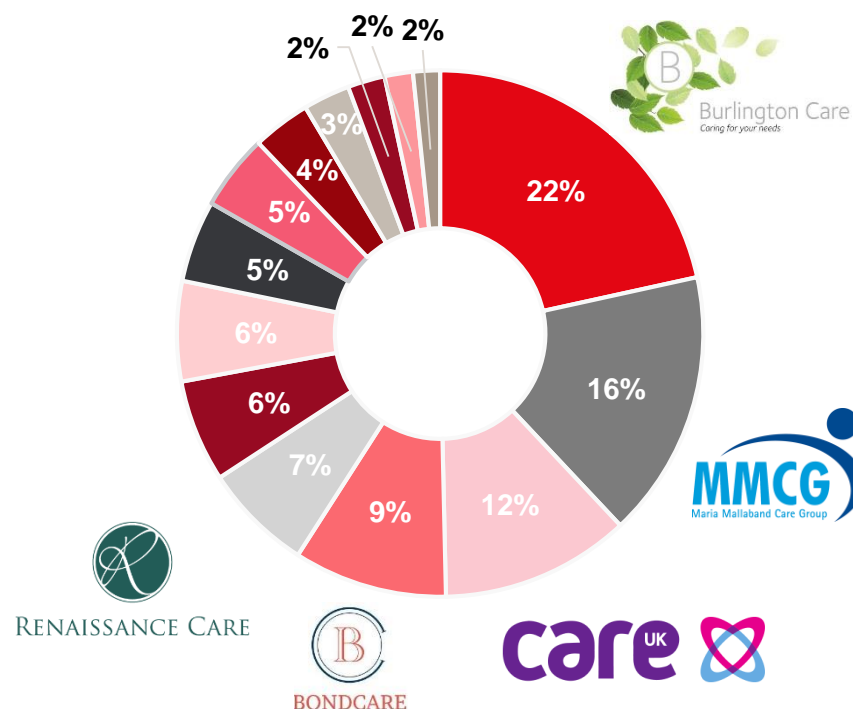
> Good geographical diversification¹



¹ Based on contractual rent

> Good tenant diversification

Diversified tenant base with 5 largest tenants only accounting for approx. 66% of contractual rent

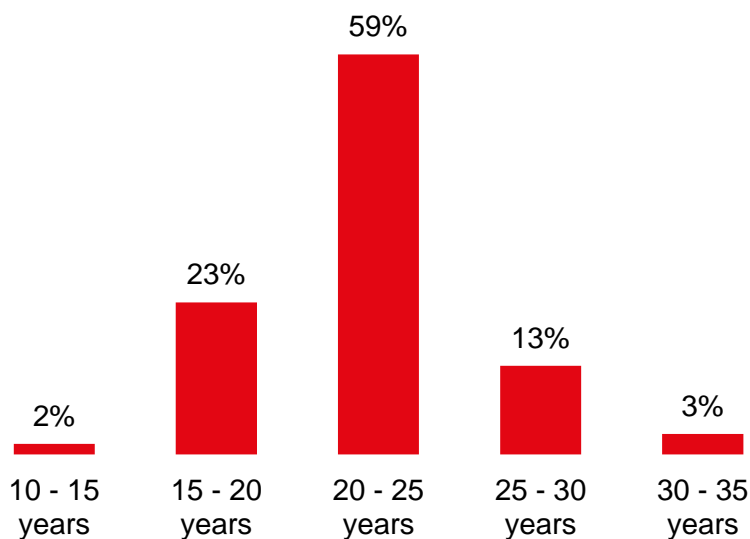


UK portfolio

Key performance indicators

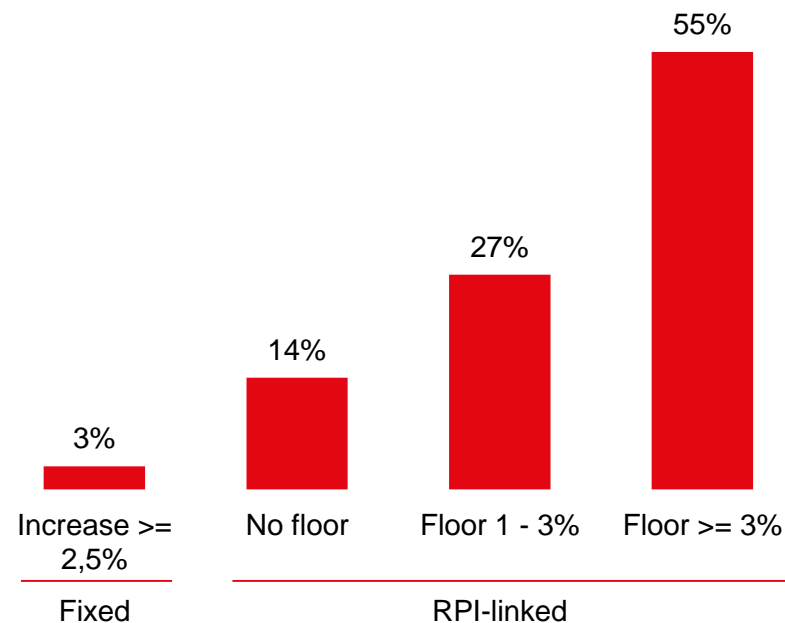
> Long lease duration

WAULT of 22 years, with 75% of rent from leases with >20 years remaining to expiration



> Inflation-linked income stream

More than 50% of the contractual rent is subject to minimum annual increases of 3%



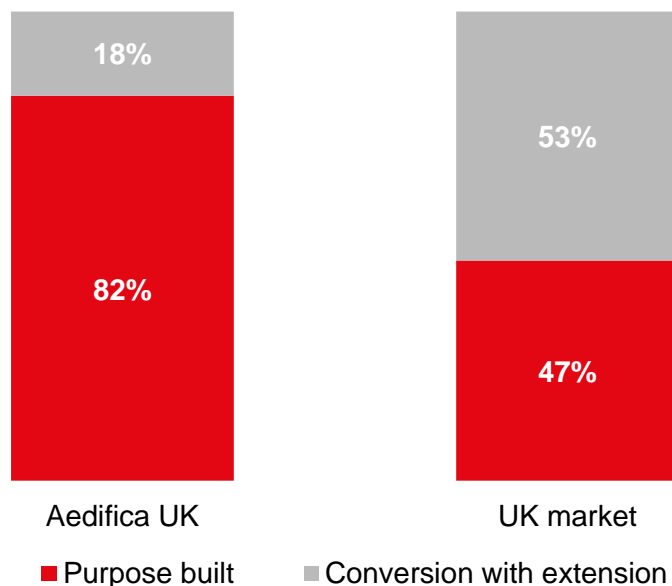
¹ Retail Price Index

UK portfolio

Asset features

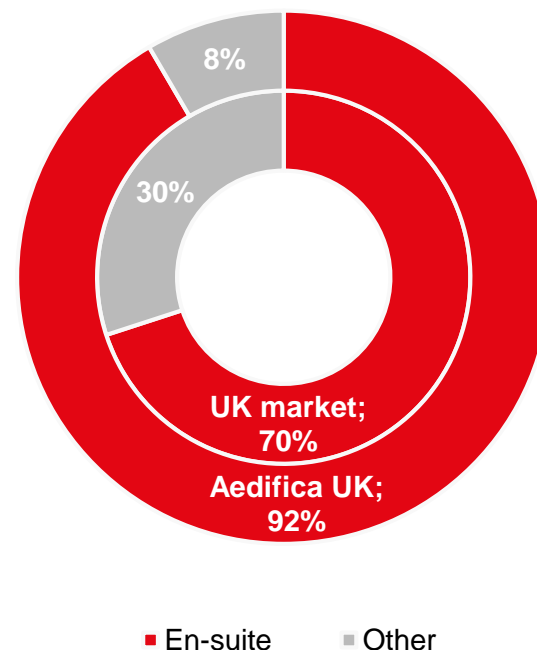
> Purpose built healthcare sites

Percentage of purpose built healthcare sites in the Aedifica UK portfolio is higher than the UK market's average



> En-suite bathrooms

100% single bedroom ratio with a higher percentage of en-suite bathrooms compared to the market average

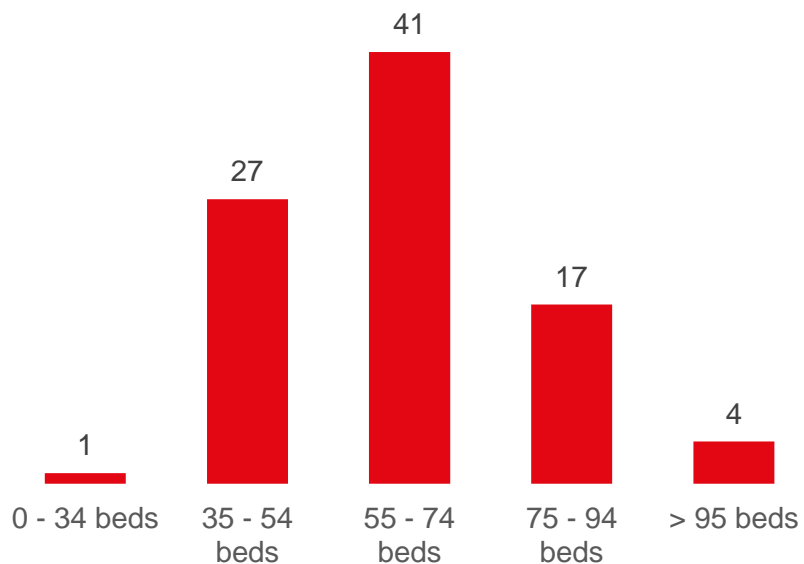


UK portfolio

Asset features

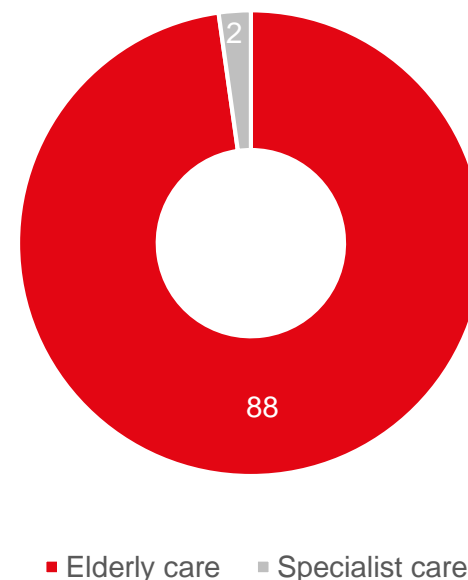
> Distribution of sites by # of beds

The portfolio averages 63 beds per site



> Focus on general care needs

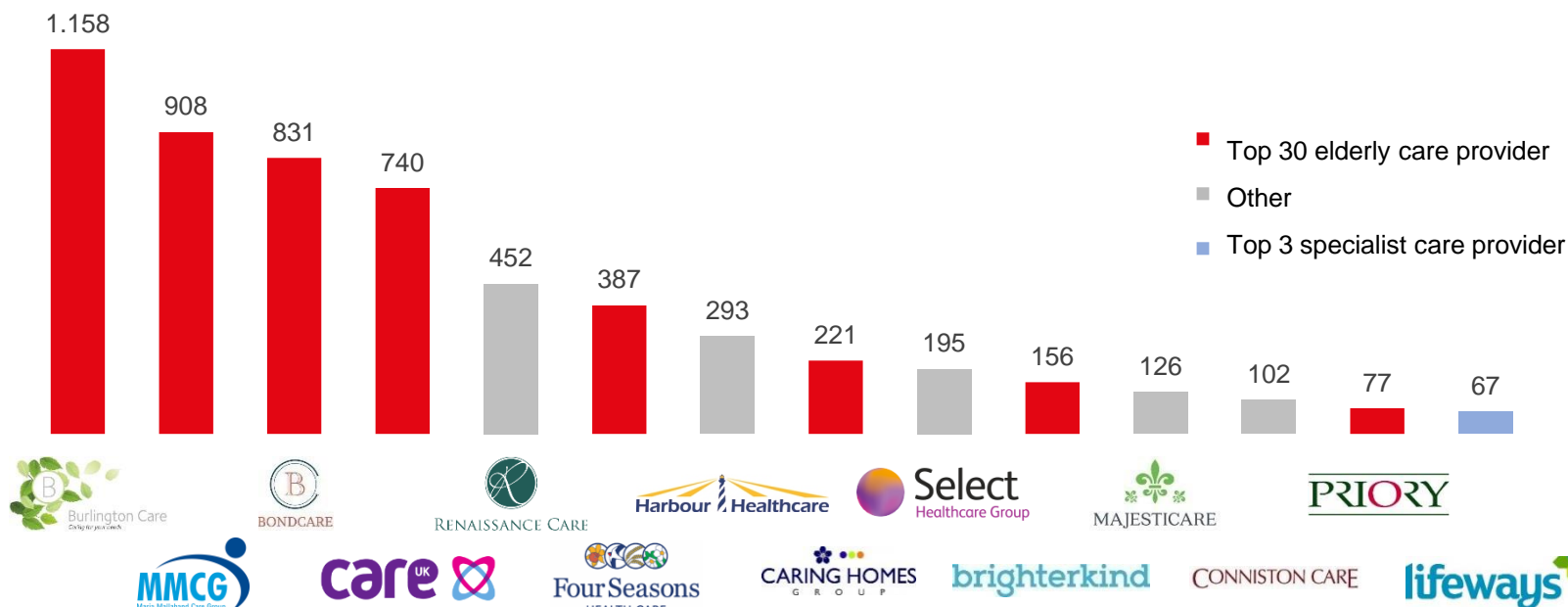
88 sites provide general elderly care, 2 sites provide specialist care



UK portfolio

Diversified tenant base

> Number of beds by tenant



- > 78% of beds operated by UK top 30 largest care operators
- > 7 operators¹ are considered “strategically important” to the UK care home market by the Care Quality Commission and are therefore subject to specific regulatory and financial oversight

¹ MMCG, Care UK, Four Seasons, Caring Homes, Brighterkind, Priory and Lifeways + potentially Burlington and Bondcare in the near future

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 a valuation expert
 - No depreciation of properties
- > **Dividend: at least 80 % of cash flow of parent company**
- > **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 healthcare REITs:** reduced to 15% as of 1 January 2017

Investments in 2018/2019 (1)

12 July 2018

Acquisition of 4 healthcare sites in Bad Sachsa (DE)

- €19 m invested amount
- 221 units in total



11 July 2018

First execution of the cooperation agreement with Specht Gruppe: acquisition of 3 plots of land in Germany and start of construction works

- €4 m invested amount
- €36 to be invested



Sorghuys Tilburg

19 July 2018

Agreement for the construction of a care residence in Berkel-Enschot (NL)

- €1 m invested amount
- €3 m to be invested
- 22 units

Investments in 2018/2019 (2)

26 September 2018

First execution of cooperation agreement with Stichting Rendant: acquisition of 1 plot of land in Heerenveen (NL) and start of construction works

- €2 m invested amount
- €20 m to be invested
- 126 units



Nieuw Heerenhage



Verpleegcentrum Scheemda

27 September 2018

Agreement for the construction of a rest home in Scheemda (NL)

- €1 m invested amount
- €4 m to be invested
- 36 units

14 September 2018

Completion of extension works at the De Stichel rest home in Vilvoorde (BE)

- €3.5 m invested amount

18 September 2018

Completion of extension and renovation works at the Huize Lieve Moenssens rest home in Dilsen-Stokkem (BE)

- €4 m invested amount



Martha Flora Bosch en Duin

21 September 2018

Completion of the Martha Flora Bosch en Duin care residence in Bosch en Duin (NL)

- €7 m invested amount
- 27 units

Investments in 2018/2019 (3)



De Statenhof



Residentie Sibelius



Residentie Boldershof

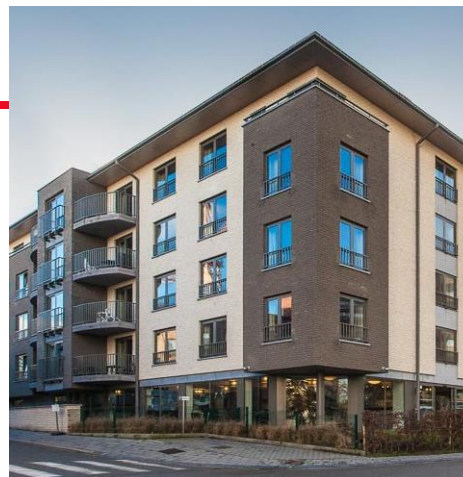
5 October 2018

Acquisition of a portfolio of 3 healthcare sites in The Netherlands

- €35 m invested amount
- €12 m to be invested
- 207 units



Residentie Kartuizerhof



Résidence de la Paix

8 October 2018

Acquisition of a portfolio of 2 rest homes in Belgium

- €35 m invested amount
- €2 m to be invested
- 235 units

Investments in 2018/2019 (4)

26 October 2018

Agreement for the construction of a rest home in Harderwijk (NL)

- €3.5 m invested amount
- €6.5 m to be invested
- 45 units



Het Gouden Hart Harderwijk



Seniorenheim J.J. Kaendler

29 November 2018

Agreement for the acquisition of a rest home in Meissen (DE)

- €4 m invested amount
- 73 units

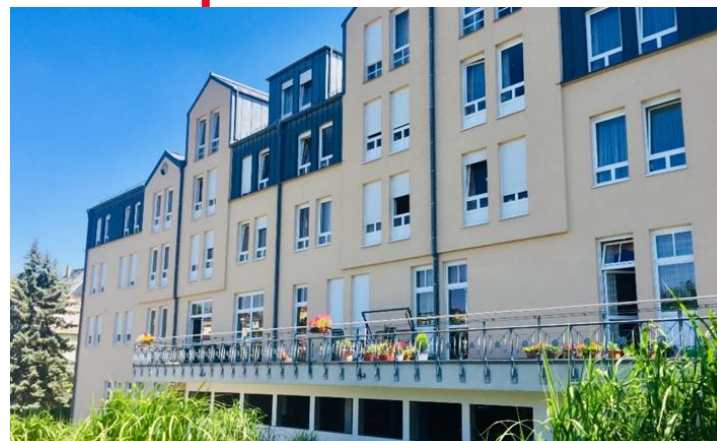
12 December 2018

Agreement for the acquisition of two healthcare sites in Tharandt and Rabenau (DE)

- €18 m invested amount
- 261 units



Seniorenwohnpark Hartha (Tharandt)



Seniorenpflegezentrum Zur alten Linde (Rabenau)

Investments in 2018/2019 (5)

13 December 2018

Acquisition of a healthcare site in Franeker (NL)

- €11 m invested amount
- 70 units



Kening State



Stepping Stones Zwolle

18 December 2018

Agreement for the construction of a rest home in Zwolle (NL)

- €1 m invested amount
- €4.5 m to be invested
- 24 units

14 December 2018

Acquisition of a senior housing site in Schoten (BE)

- €18 m invested amount
- 101 units



Hof van Schoten



Coplands (London)

1 February 2019

Acquisition of a portfolio of 92 healthcare properties in the United Kingdom

- £450 m invested amount
- 5,700 units

Notes

Notes