



# Half year results 2019/2020

Brussels, 19 February 2020

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# Highlights H1 2019/2020



Huize Hoog Kerckebosch  
Zeist – The Netherlands

# Highlights

## H1 2019/2020 (1)

- > **Rental income:** €72 million, +42% YoY, +1.6% L-F-L
- > **EPRA Earnings:** €46.6 million, +47% YoY
- > **EPRA Earnings per share:** €1.89, + 9% YoY
- > **Real estate portfolio** of €2.6 billion, +14% (+€315 million) compared to 30 June 2019
- > **Weighted average unexpired lease term:** 21 years
- > **Occupancy rate:** 100%
- > In January 2020, Aedifica entered the **Finnish and Swedish markets** through the acquisition<sup>1</sup> of **Hoivatilat**, a Finnish healthcare real estate development & investment company

<sup>1</sup> On 30 January 2020, Aedifica controls approx. 98% of the Hoivatilat shares.

# Highlights

## H1 2019/2020 (2)

- > **290 healthcare sites** comprising >21,000 units in 4 countries
  - €1,050 million in Belgium (79 sites)
  - €543 million in Germany (67 sites)
  - €402 million in the Netherlands (53 sites)
  - €571 million in the United Kingdom (91 sites)
- > **Pipeline** of €480 million in acquisitions, construction and renovation projects (excl. Hoivatilat)
- > **Debt-to-assets ratio:** 43.8%
- > **DPS guidance confirmed:** €3.00

# Investment activity

## 30 healthcare sites added or announced during H1 2019/2020 > €380 million

Name	Type	Location	Date	Investment (€ million) <sup>1</sup>	Pipeline (€ million) <sup>2</sup>	Gross rental yield (approx. %)	Completion	Lease	Operator
<b>Germany</b>				<b>125</b>	<b>150</b>				
Zur alten Linde Seniorenwohnpark Hartha	Acquisition <sup>5</sup>	Rabenau Tharandt	8/07/2019	18	-	6%	-	30 years - NN	EMVIA Living
Haus Steinbachhof Seniorenhaus Wiederitzsch	Acquisition <sup>5</sup>	Chemnitz Leipzig	9/07/2019	23	-	6%	-	19 years - NN 24 years - NN	Casa Reha Convivo
Seniorenhaus Lessingstrasse	Acquisition	Wurzen	21/08/2019	-	7	5.5%	Q3 2021	25 years - NN	Seniorhenhaus Lessingstrasse
Wohnstif am Weinberg	Acquisition & renovation	Kassel	29/10/2019	-	20	5.5%	Over the next 3 years	30 years - NN	Cosiq
Haus Wellengrund	Acquisition & redevelopment	Stemwede	1/11/2019	3	8	6%	Q3 2020	30 years - NN	Argentum
BAVARIA Senioren- und Pflegeheim	Acquisition & renovation	Sulzbach- Rosenberg	6/11/2019	-	6	6%	Over the next 4 years	30 years - NN	Auriscare
Sonnenhaus Ramsloh Johanniter-Haus Lüdenscheid	Acquisition & construction (Quartier am Rathausmarkt)	Ramsloh, Lüdenscheid, Bremervörde	17/12/2019	19	16	5%	Q3 2021 (Quartier am Rathausmarkt)	30 years - NN	Sonnenhaus Saterland Die Johanniter Specht Gruppe
Quartier am Rathausmarkt Seniorenquartier Bremen, Weyhe, Langwedel, Sehnde	Acquisition & development <sup>3</sup>	Bremen, Weyhe, Langwedel, Sehnde	17/12/2019	5	58	>5%	Q3 2021	30 years - NNN	EMVIA Living
Vitanas portfolio (7 sites)	Acquisition & renovation	Berlin, Plön, Wankendorf, Ueckemünde	18/12/2019	57	35	>5%	2024	WAULT 23 years - NN	Vitanas

<sup>1</sup> The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments generate rental income (sites under construction also generate limited rental income, in particular for the plots of land that have already been acquired).

<sup>2</sup> The amounts in this column are the budgets for development projects that Aedifica will finance. Development projects are always pre-let and are listed in the pipeline of projects and renovations.

<sup>3</sup> Specht Gruppe phase III.

<sup>4</sup> Amounts in £ were converted into € based on the exchange rate of the transaction date.

<sup>5</sup> These acquisitions have already been announced during the 2018/2019 financial year.



# Investment activity

## 30 healthcare sites added or announced during H1 2019/2020 > €380 million

Name	Type	Location	Date	Investment (€ million) <sup>1</sup>	Pipeline (€ million) <sup>2</sup>	Gross rental yield (approx. %)	Completion	Lease	Operator
<b>Germany</b>				<b>125</b>	<b>150</b>				
<b>Netherlands</b>				<b>63</b>	<b>19</b>				
Rumah Saya	Acquisition	Appeldoorn	9/07/2019	10	-	6%	-	15 years - NNN	Stichting Nusantara Zorg
Residentie La Tour	Acquisition & redevelopment	Roermond	9/07/2019	4	8	6%	2020	20 years - NNN	Ontzorgd Wonen Groep
Villa Casimir	Acquisition & redevelopment	Witmarsum	7/08/2019	1	3	6%	2020	25 years - NNN	Ontzorgd Wonen Groep
Vinea Domini	Acquisition & redevelopment	Witmarsum	7/08/2019	1	3	6%	2020	25 years - NNN	Ontzorgd Wonen Groep
Woonconcept portfolio (5 sites)	Acquisition	Hoogeveen	28/08/2019	44	-	6.5%	-	WAULT 26 years - NN	NNCZ
Natorium	Extension	Velp	28/11/2019	2	3	6.5%	Q4 2021	20 years - NNN	Stepping Stones Home & Care
Villa Nuova	Construction	Vorden	29/11/2019	2	5	5.5%	Q1 2021	20 years - NNN	Stepping Stones Home & Care
<b>United Kingdom <sup>4</sup></b>				<b>15</b>	<b>12</b>				
Bessingby Hall, York House, The Sycamores, Southands, The Elms & Oakwood, Blenheim, Coplands, Eltandia Hall and Heritage	Extension of 9 sites	United Kingdom	18/09/2019	-	12	7%	2020	NNN	Burlington Care MMCG
Hazel End Care home	Acquisition	Bishop's Stortford	19/12/2019	15	-	6%	-	35 years - NNN	Halcyon Care Homes
<b>Total</b>				<b>203</b>	<b>181</b>				

<sup>1</sup> The amounts in this column include the contractual value of the plots of land and the existing buildings. These investments generate rental income (sites under construction also generate limited rental income, in particular for the plots of land that have already been acquired).

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# Investment activity

## 6 projects

completed during H1 2019/2020

Name	Type	Location	Date	Investment (€ million) <sup>1</sup>	Gross rental yield (approx. %)	Lease	Operator
<b>Belgium</b>				<b>3</b>			
't Hoge III	Extension	Kortrijk	28/11/2019	2	6%	27 years - NNN	Senior Living Group
Plantijn III	Renovation	Kapellen	17/12/2019	1	6%	27 years - NNN	Armonea
<b>Germany</b>				<b>27</b>			
Seniorenquartier Schwerin	Development	Schwerin	15/08/2019	11	5.5%	30 years - NN	EMVIA Living
Seniorenzentrum Weimar	Acquisition	Weimar	1/10/2019	17	6%	25 years - NN	Azurit Rohr
<b>United Kingdom</b>				<b>4</b>			
Cowdray Club	Renovation	Aberdeen	23/08/2019	3	7%	25 years – NNN	Renaissance
MMCG projects	Renovation of 9 sites	United Kingdom	31/12/2019	1	7.5%	WAULT 23 years - NNN	Maria Mallaband Care Group
<b>Total</b>				<b>34</b>			

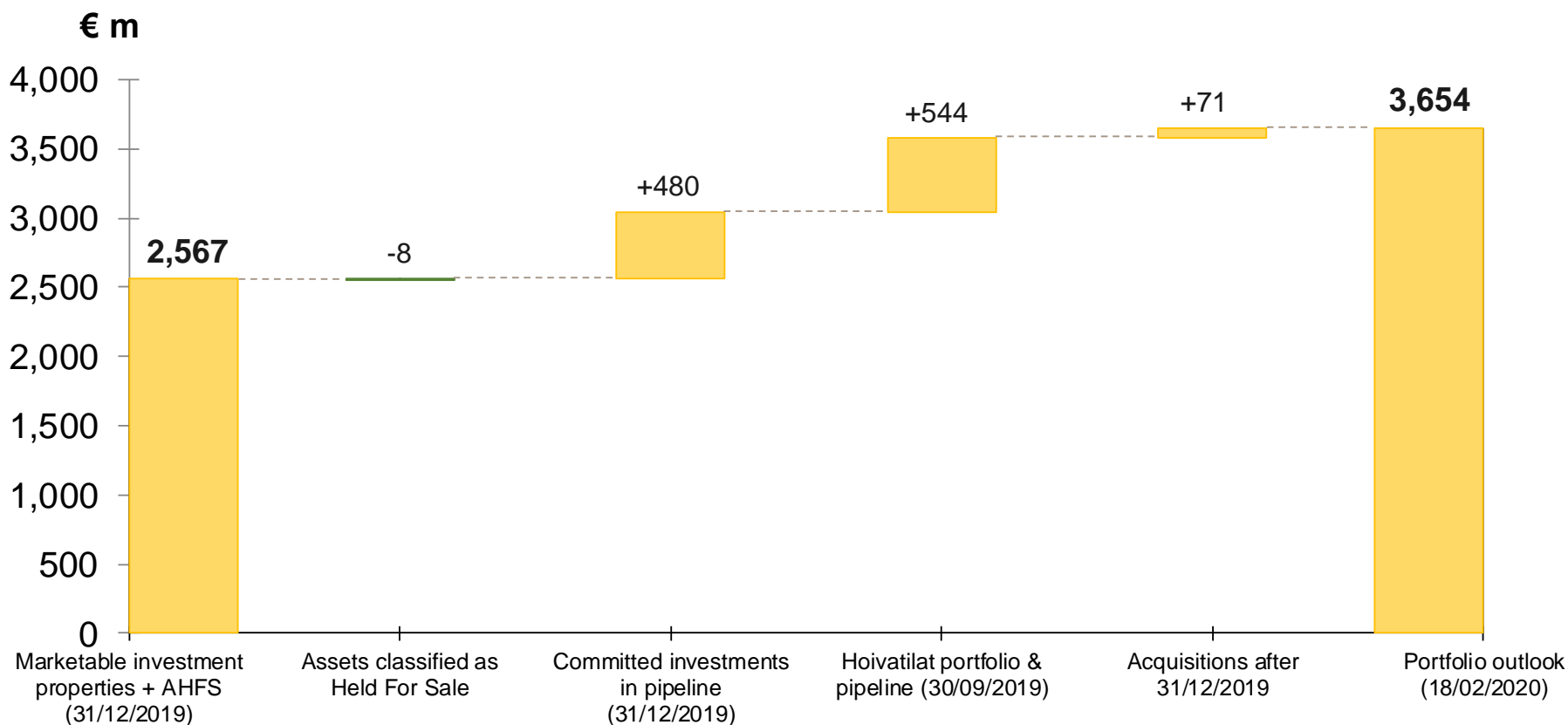
<sup>1</sup> For completed development projects, this amount includes only the budget for the works that were carried out (excl. the contractual value of the plot of land).



# Portfolio outlook

Total portfolio outlook: €3.65 billion

(As of 18 February 2020)



# Strategy

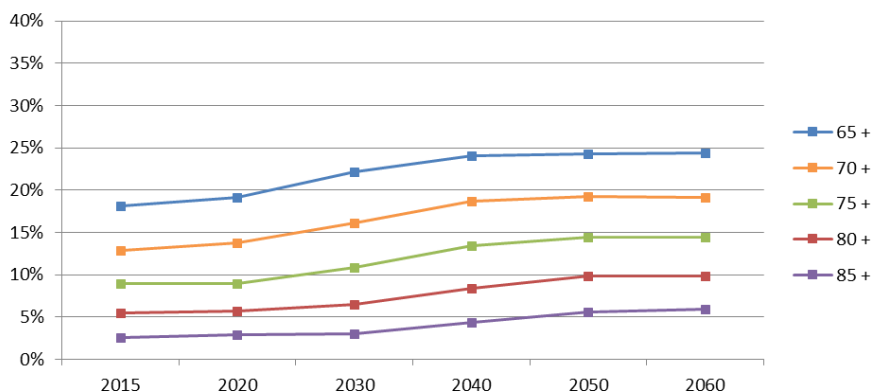


Seniorenquartier Lübbecke  
Lübbecke - Germany

- > Belgian REIT (RREC/SIR/GVV)
  - market cap ~ €3.3 billion
  - free float of 100%
  - marketable investment properties ~ €3 billion
  - Pipeline ~ €600 million
  - WAULT ~ 21 years
  
- > Market reference in European listed healthcare real estate
  
- > European focus
  - Belgium
  - Germany
  - Netherlands
  - United Kingdom
  - Finland
  - Sweden

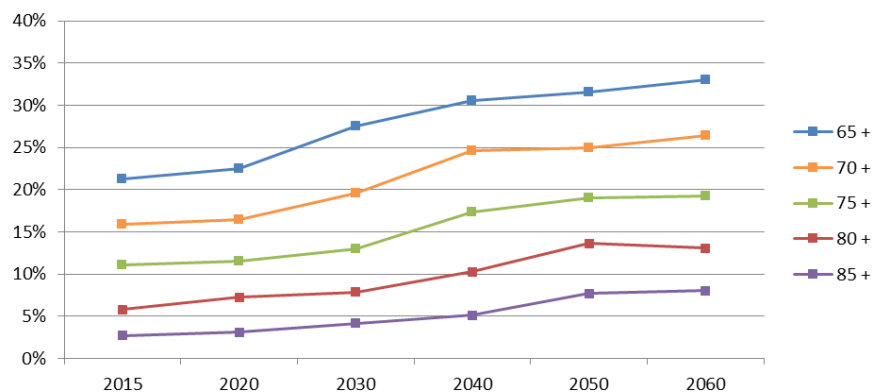
# Demographic evolution

## Ageing in Belgium



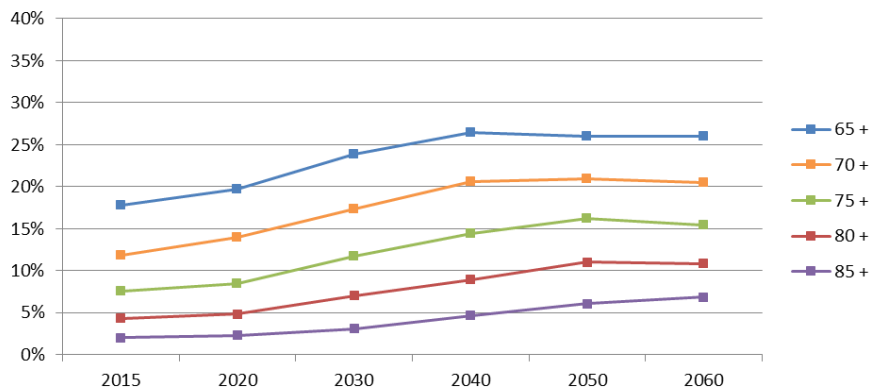
Source: Belgian Federal Planning Bureau, 2018.

## Ageing in Germany



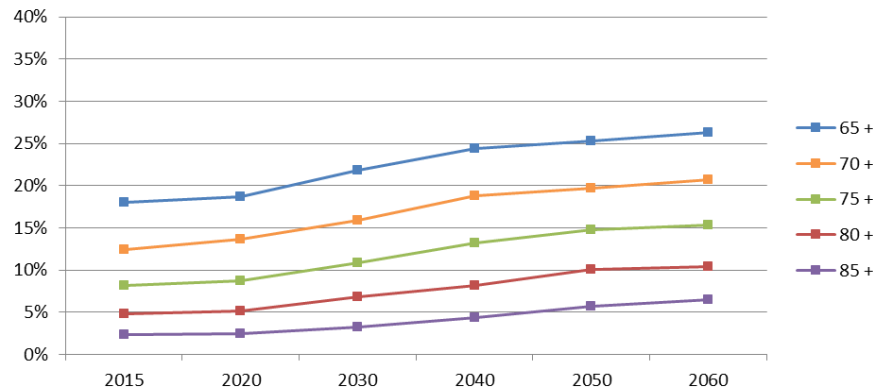
Source: Statistisches Bundesamt (Deutschland), 2015.

## Ageing in the Netherlands



Source: Centrale Bureau voor de Statistiek, 2016.

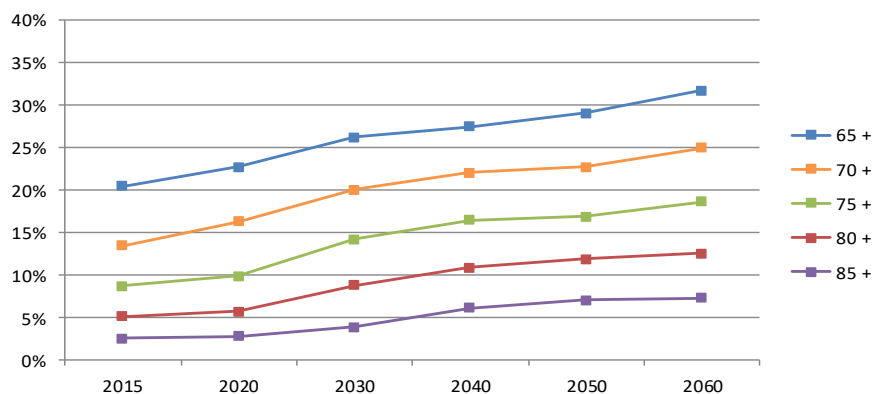
## Ageing in the United Kingdom



Source: Office for National Statistics, 2017.

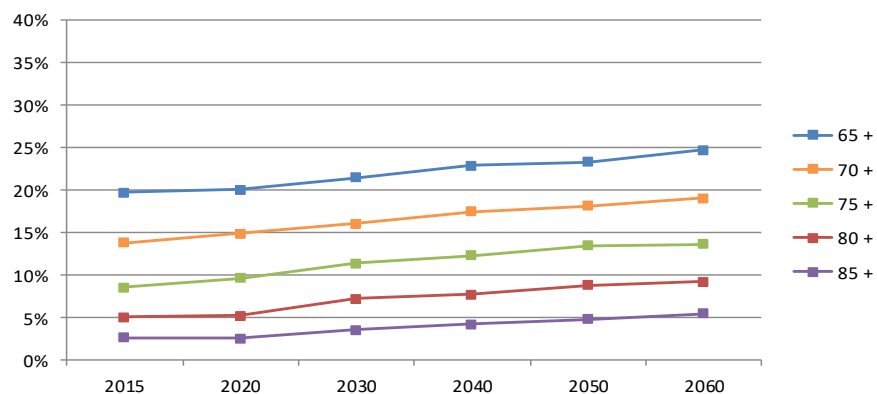
# Demographic evolution

## Ageing in Finland



Source: Statistics Finland, 2018.

## Ageing in Sweden



Source: Statistics Sweden, 2017.

# Achievements

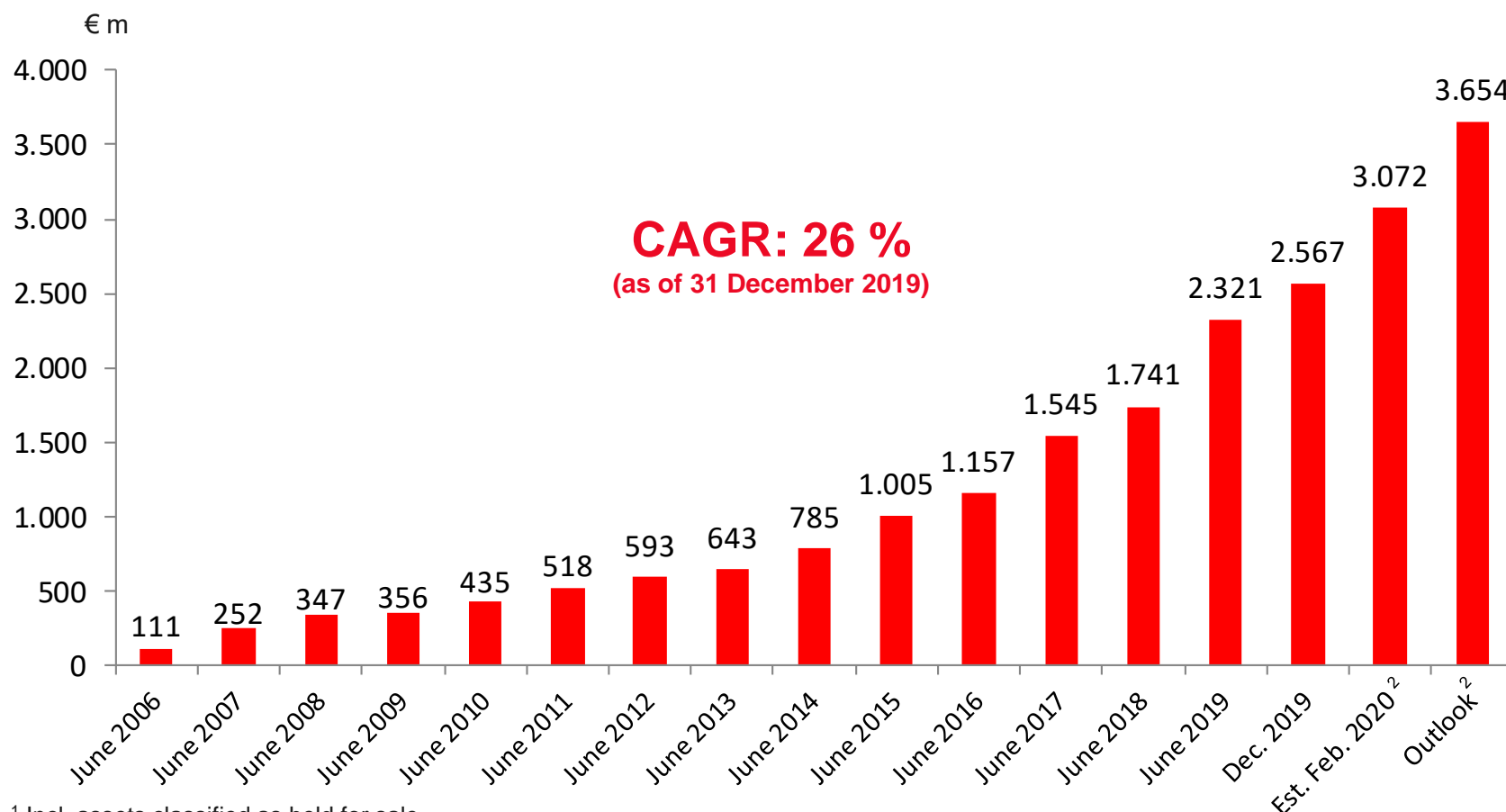


De Kaap  
Hoogeveen - Netherlands

# Achievements

## Investment properties<sup>1</sup>

### Evolution since 2006



<sup>1</sup> Incl. assets classified as held for sale.

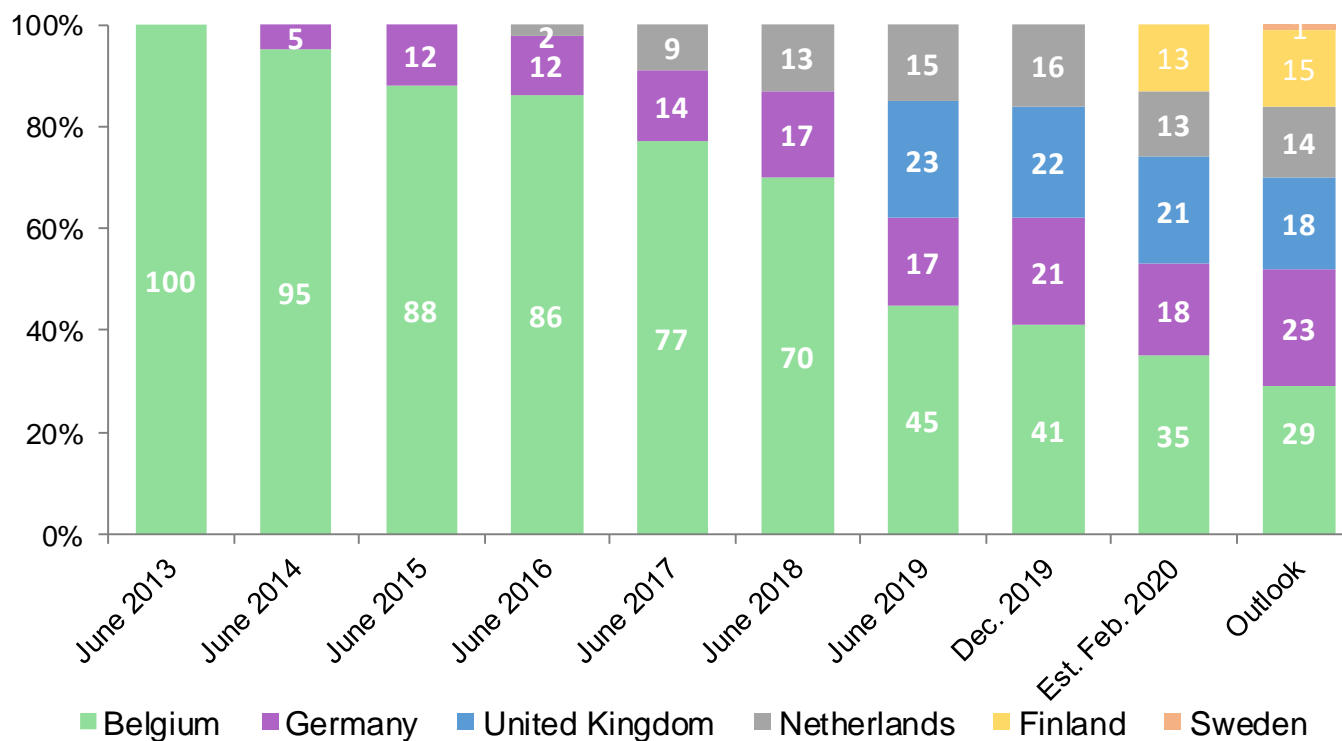
<sup>2</sup> Incl. Hoivatilat portfolio.



# Achievements

## Focus on Europe

### Geographical breakdown (fair value)<sup>1</sup>



<sup>1</sup> Marketable investment properties incl. assets classified as held for sale (€2,567 m).

# Portfolio analysis

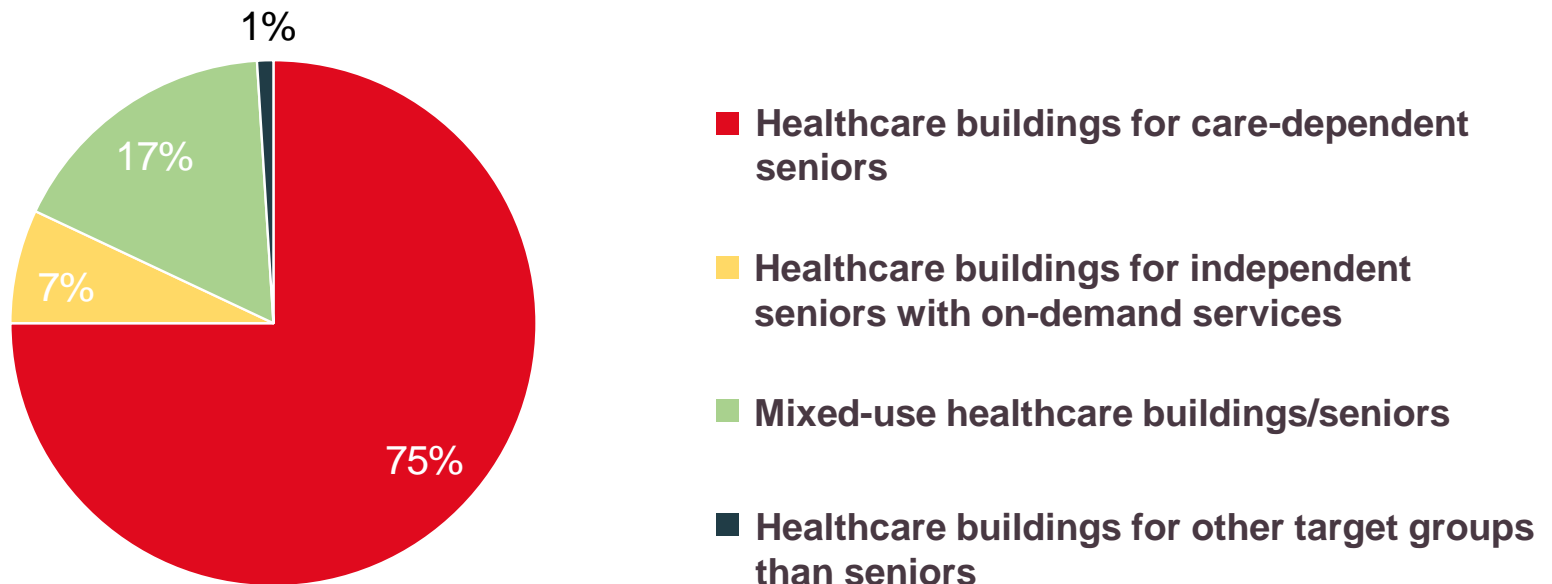


King's Manor  
Ottery St. Mary - United Kingdom

# Healthcare real estate

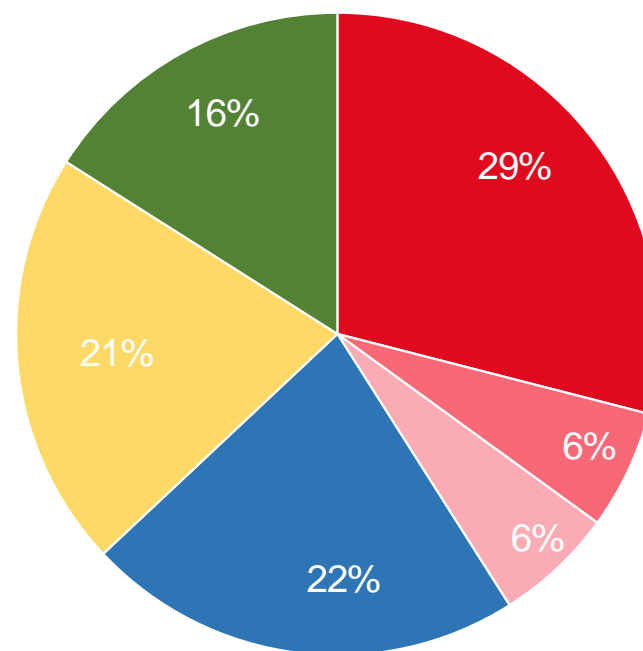
## > Focus on senior housing

### Healthcare segment breakdown



(As of 31 December 2019)

## > Geographical breakdown



Marketable investment properties incl. assets classified as held for sale (€2,567 m).

# Belgian healthcare portfolio

(As of 31 December 2019)

## > Senior housing portfolio of 79 assets:

- Capacity of more than 7,900 residents
- Total fair value of approx. €1,050 m
- Yield on fair value of 5.4%
- Triple net long leases
- Typical lease maturity: 27 years
- 13 tenant groups: Senior Living Group (Korian), Armonea (Colisée), Vulpia, Orpea, Hof van Schoten, Time for Quality, Résidence de la Houssière, Buitenhof, Dorian groep, Vivalto, Bremdael, Pierre Invest and Le Carrosse
- Portfolio outlook as of 18 February 2020: approx. €1,090 m

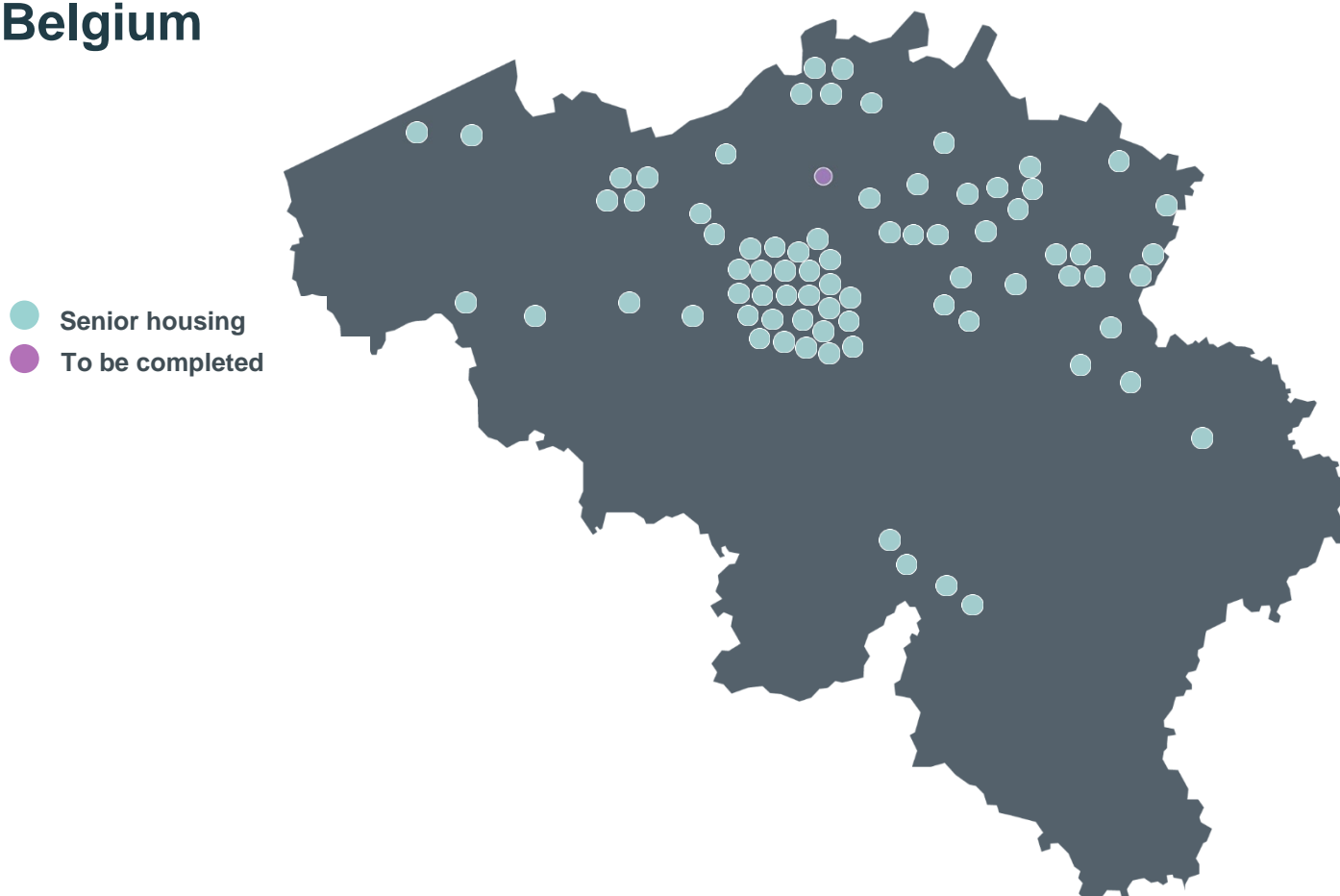
## > Belgium:

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

# Belgian healthcare portfolio

(As of 31 December 2019)

## Belgium





# Belgian healthcare portfolio

Residentie Sporenpark,  
Beringen  
• 127 units



Residentie Kartuizehof,  
Lierde  
• 128 units

Hof van Schoten,  
Schoten  
• 101 units



Leopoldspark,  
Leopoldsburg  
• 150 units



# German healthcare portfolio

(As of 31 December 2019)

## > Senior housing portfolio of 67 assets:

- Capacity of more than 5,300 residents
- Total fair value of approx. €543 m
- Yield on fair value of 5.8%
- Double net long leases
- Typical lease maturity: 20 - 25 years
- 19 tenant groups: Vitanas, EMVIA, Residenz Management, Orpea, Azurit Rohr, Alloheim, Argentum, Convivo, Schloss Bensberg Management, Seniorenresidenz Laurentiusplatz, Casa Reha (Korian), SARA, DPUW (Colisée), Cosiq, Johanniter, advita, Deutsches Rotes Kreuz, Volkssolidarität and Aspida
- Co-operation agreement with Specht Gruppe for the construction of 17 care campuses (€245 m), of which 3 have been completed and 8 are under construction
- Portfolio outlook as of 18 February 2020: approx. €870 m

## > Germany:

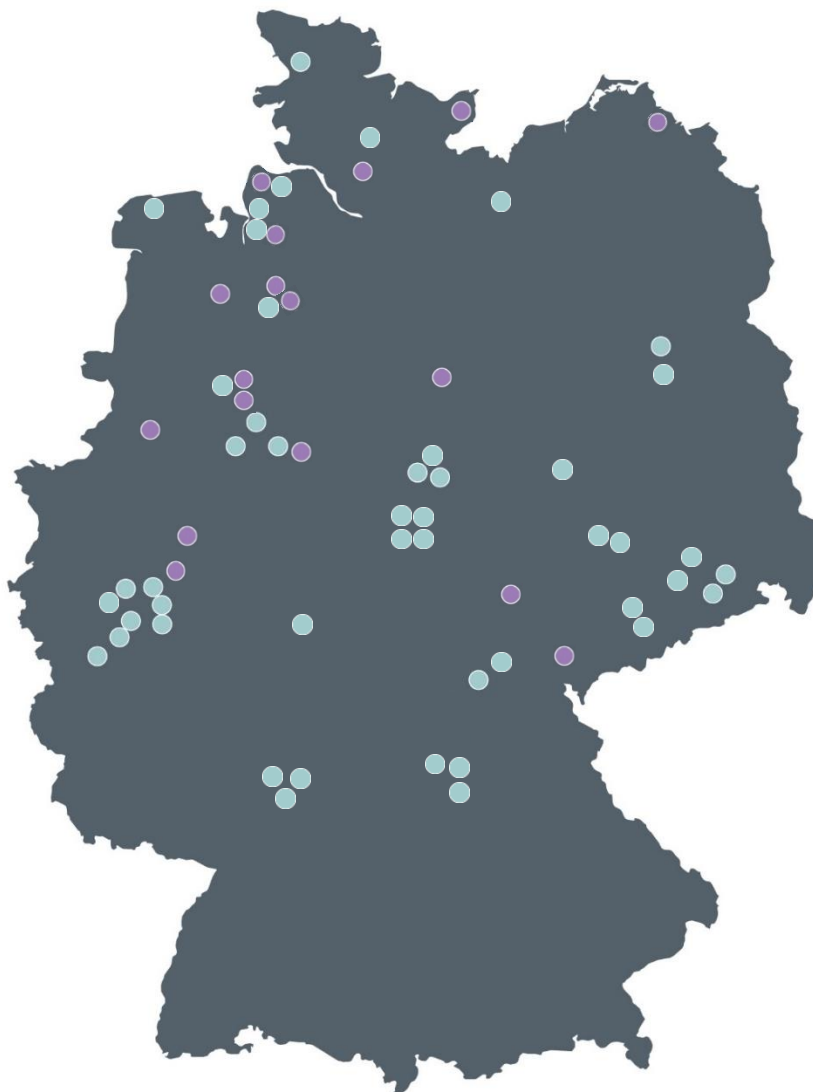
- Growth potential due to ageing of German population
- Senior housing market consolidation has kicked in
- Yield compression

# German healthcare portfolio

(As of 31 December 2019)

## Germany

- Senior housing
- To be completed



# German healthcare portfolio

Seniorenquartier  
Lübbecke,  
Lübbecke  
• 80 units



advita Haus Zur  
Alten Berufsschule,  
Zschopau  
• 127 units



Zur alten Linde,  
Rabenau  
• 82 units



Haus Steinbachhof,  
Chemnitz  
• 151 units



# Dutch healthcare portfolio

(As of 31 December 2019)

## > Senior housing portfolio of 53 assets:

- Capacity of more than 2,100 residents
- Total fair value of approx. €402 m
- Yield on fair value of 5.7 %
- Mostly triple net long leases
- Typical lease maturity: 15 - 20 years
- 15 tenant groups: Stichting Vitalis, Ontzorgd Wonen Groep (Korian), NNCZ, Compartijn, Martha Flora, Domus Magnus, Stepping Stones Home & Care (Korian), Het Gouden Hart (Korian), Stichting Zorggroep Noorderboog, Stichting Nusantara, Stichting Oosterlengte, Stichting Leger des Heils, Orpea, Omega and Stichting Rendant
- 16 projects to be completed (€103 m)
- Portfolio outlook as of 18 February 2020: approx. €505 m

## > The Netherlands:

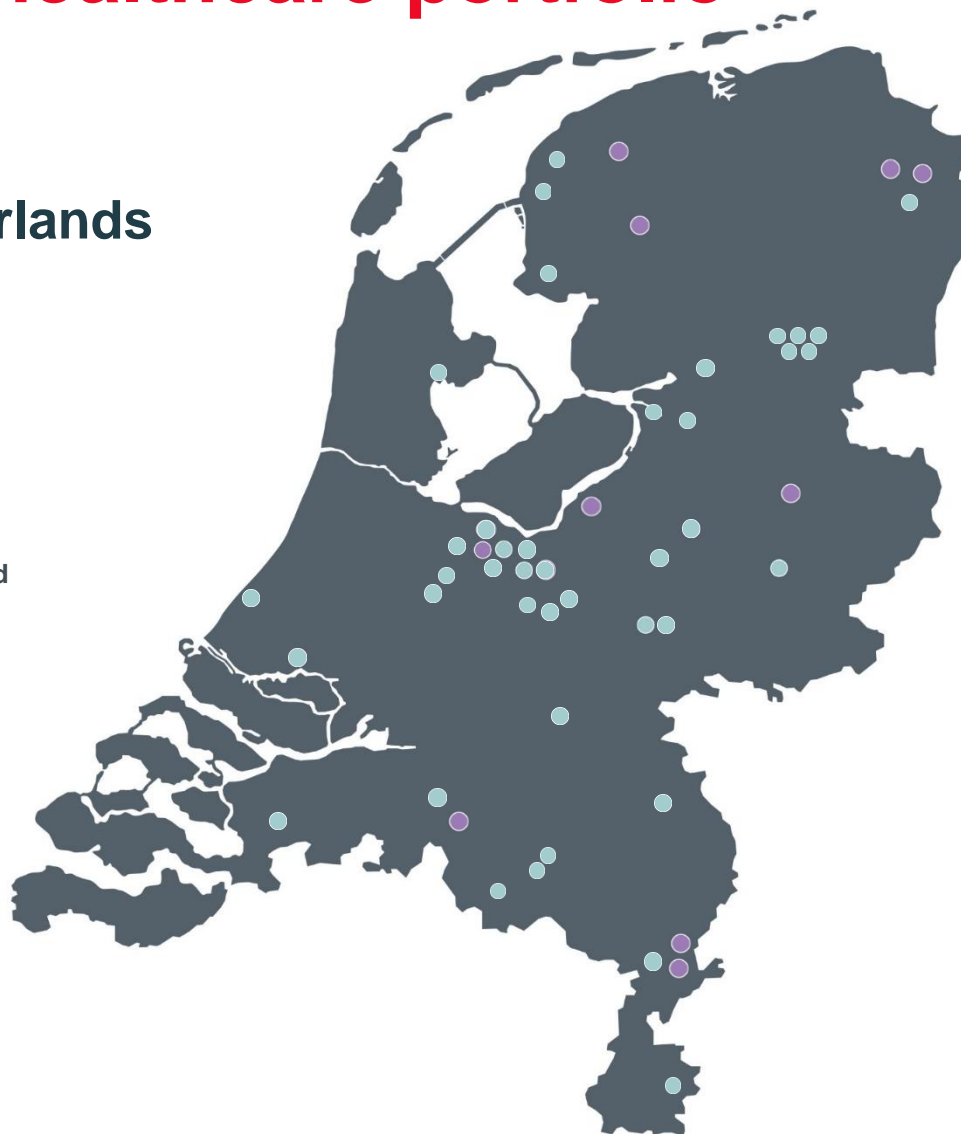
- Healthcare real estate market becoming more competitive and liquid
- Senior housing operators: consolidation and internationalisation of profit operators kicking in
- Yield compression

# Dutch healthcare portfolio

(As of 31 December 2019)

## The Netherlands

- Senior housing
- To be completed





# Dutch healthcare portfolio

Huize Groot  
Waardijn,  
Tilburg  
• 26 units



De Statenhof,  
Leiden  
• 79 units



Villa Nova,  
Leusden  
• 21 units



Huize De  
Compagnie, Ede  
• 42 units



# UK healthcare portfolio

(As of 31 December 2019)

## > Senior housing portfolio of 91 assets:

- Capacity of more than 5,800 residents
- Total fair value of approx. €571 m
- Yield on fair value of 6.9 %
- 15 tenant groups: Maria Mallaband Care Group, Burlington Care, Care UK, Bondcare, Athorpe Health Care, Autism Care, Burgess Care, Renaissance Care, Four Seasons, Brighterkind, Caring Homes, Harbour Healthcare, Halcyon Care Homes, Majesticare and Select Healthcare
- Inflation linked triple net leases
- Opportunities for further development (incl. yielding capex)
- Experienced portfolio management platform: Layland Walker
- Portfolio outlook as of 18 February 2020: approx. €650 m

## > United Kingdom:

- Fragmented care home market
- Equipment rate in the UK is lower than in BE, DE, NL
- After Brexit → more political focus on public financing of care ?

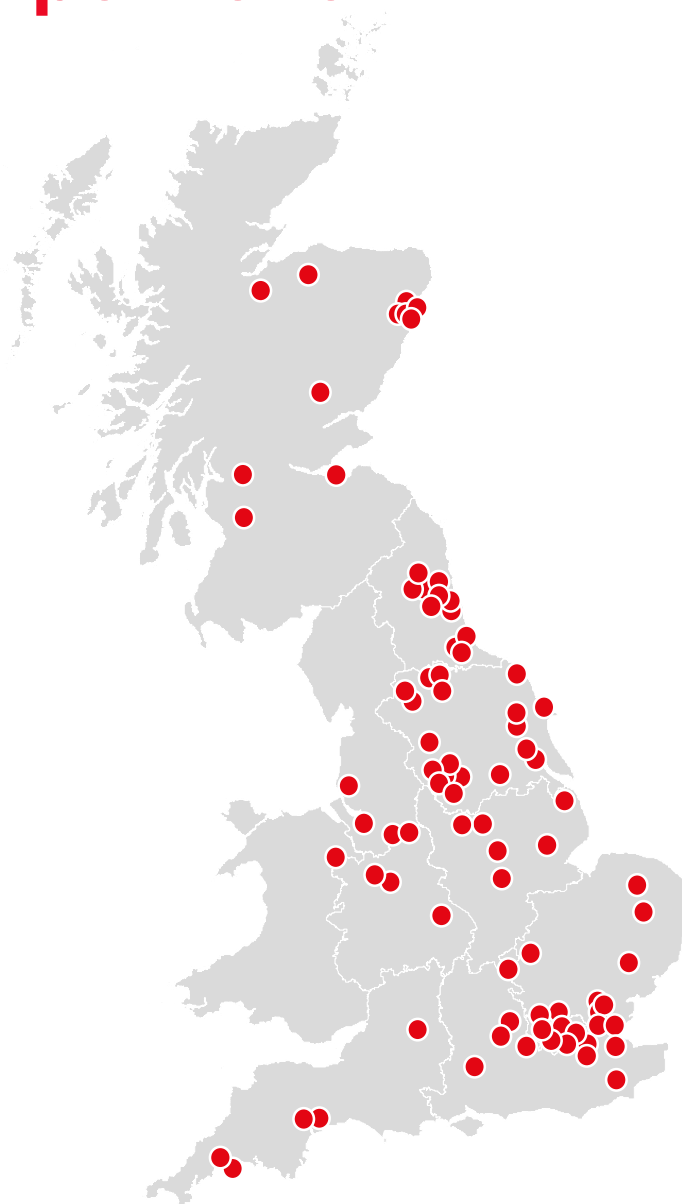


# UK healthcare portfolio

(As of 31 December 2019)

## United Kingdom

● Senior housing



# UK healthcare portfolio

Coplands,  
London  
• 79 units



Armstrong House,  
Gateshead  
• 71 units



Maple Court,  
Scarborough  
• 64 units



River View,  
Reading  
• 137 units

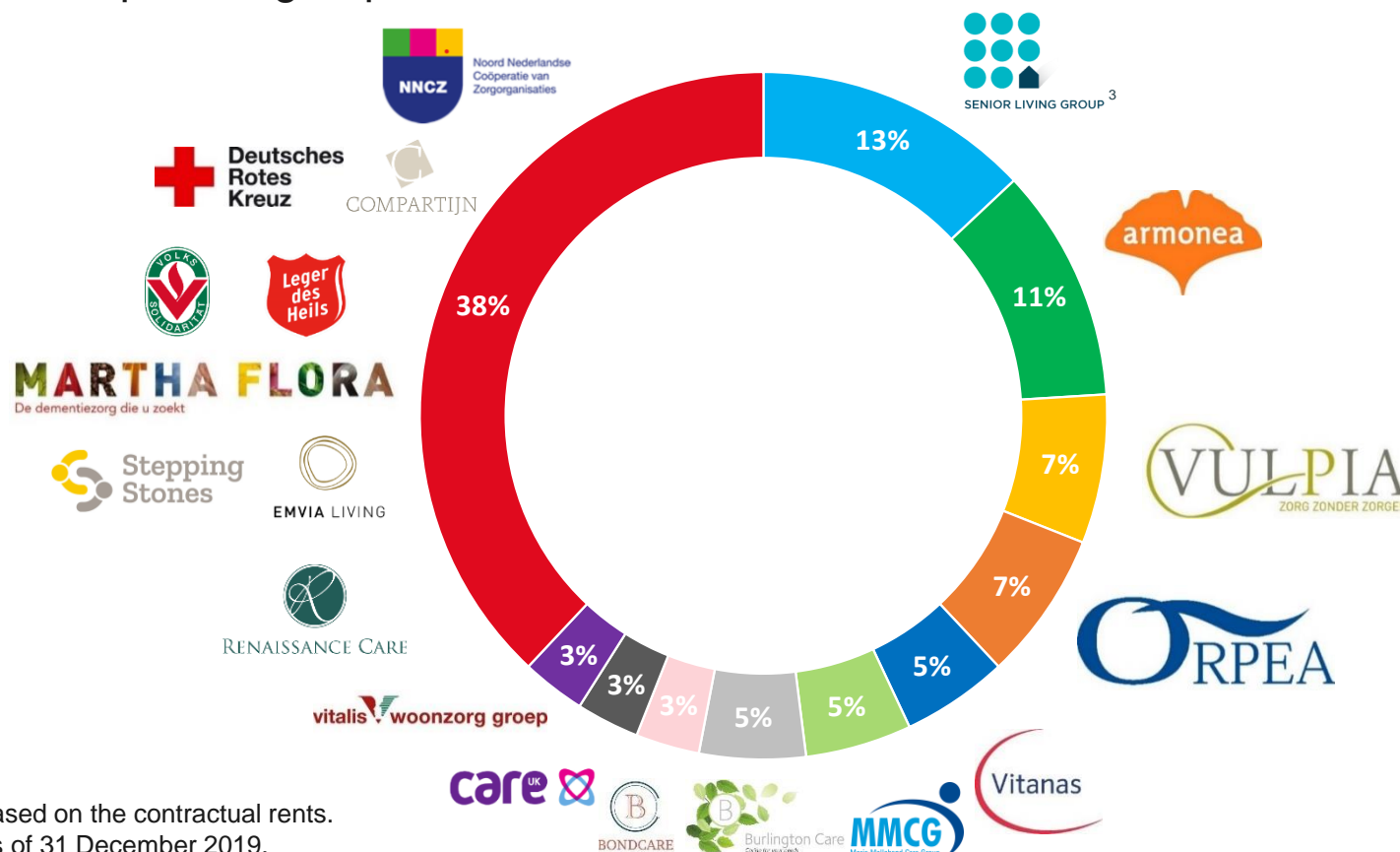


Highfield,  
Castleford  
• 88 units

# Healthcare real estate tenants

## Tenant diversification<sup>1</sup>

- > **290 sites** with approx. **150 tenants (or >60 'groups')**<sup>1</sup> representing European, national and local profit and not-for-profit operators
- > No 'operator group' leases more than 15% of Aedifica's consolidated assets



<sup>1</sup> Based on the contractual rents.

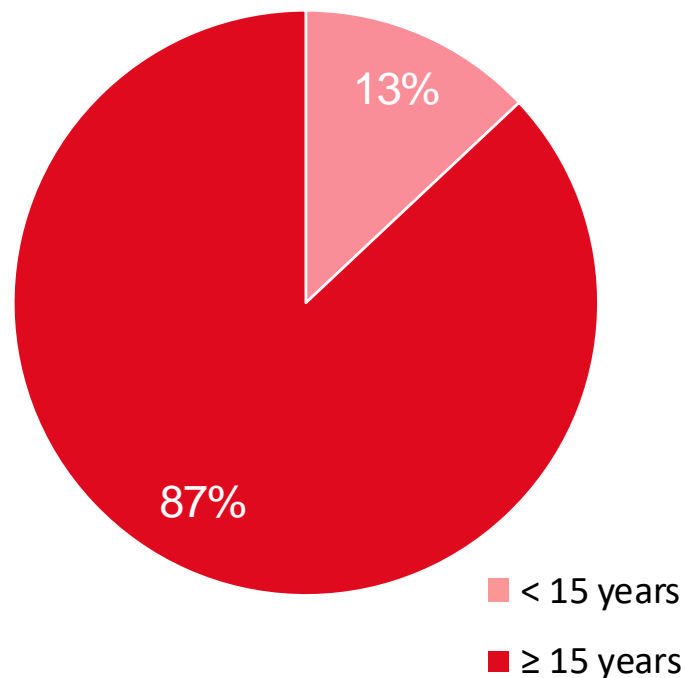
<sup>2</sup> As of 31 December 2019.

<sup>3</sup> Senior Living group is part of the Korian group, which took over the operation of 12 healthcare sites from Het Gouden Hart and the Ontzorgd Wonen Groep. Taking into account this acquisition, Korian's share in the Aedifica portfolio would amount to 17% as of 31 December 2019.

# Lease maturity & occupancy rate

(As of 31 December 2019)

## Unexpired lease term



## Weighted average unexpired lease term

**21 years**

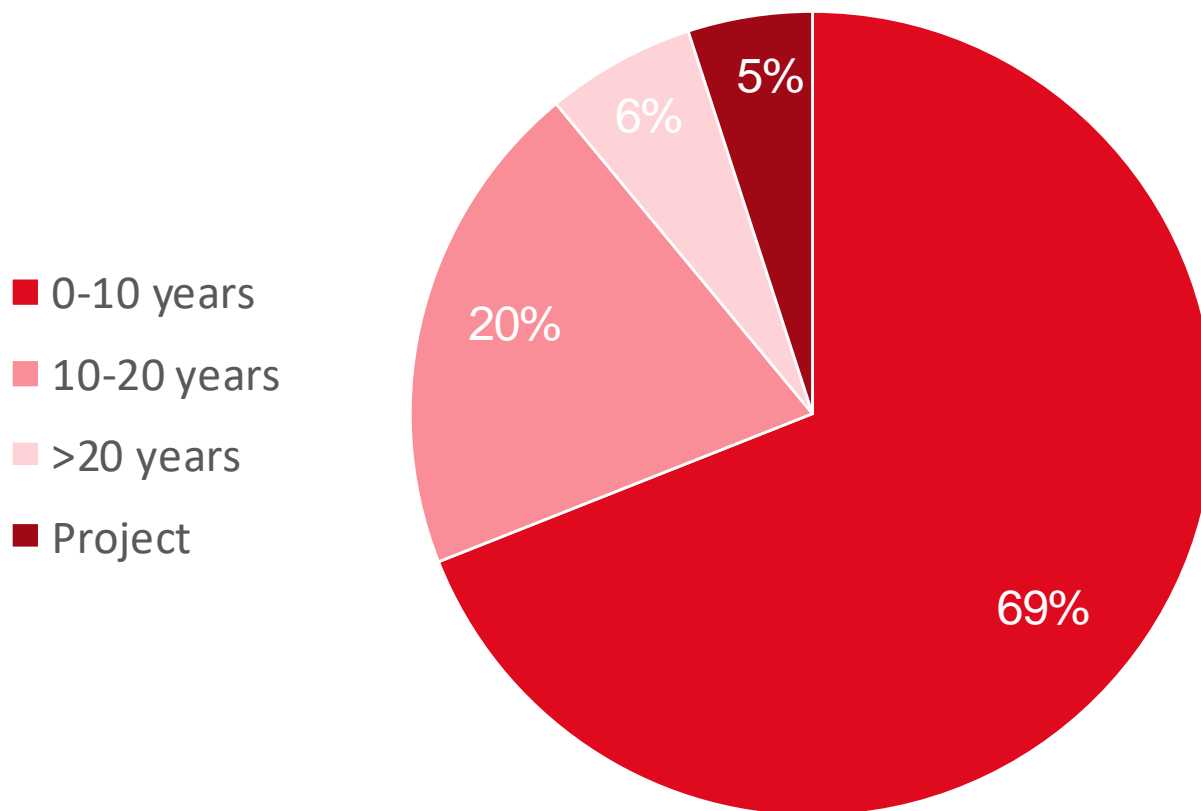
## Occupancy rate

**100 %**

Marketable investment properties incl. assets classified as held for sale (€2,567 m).

# Age of buildings

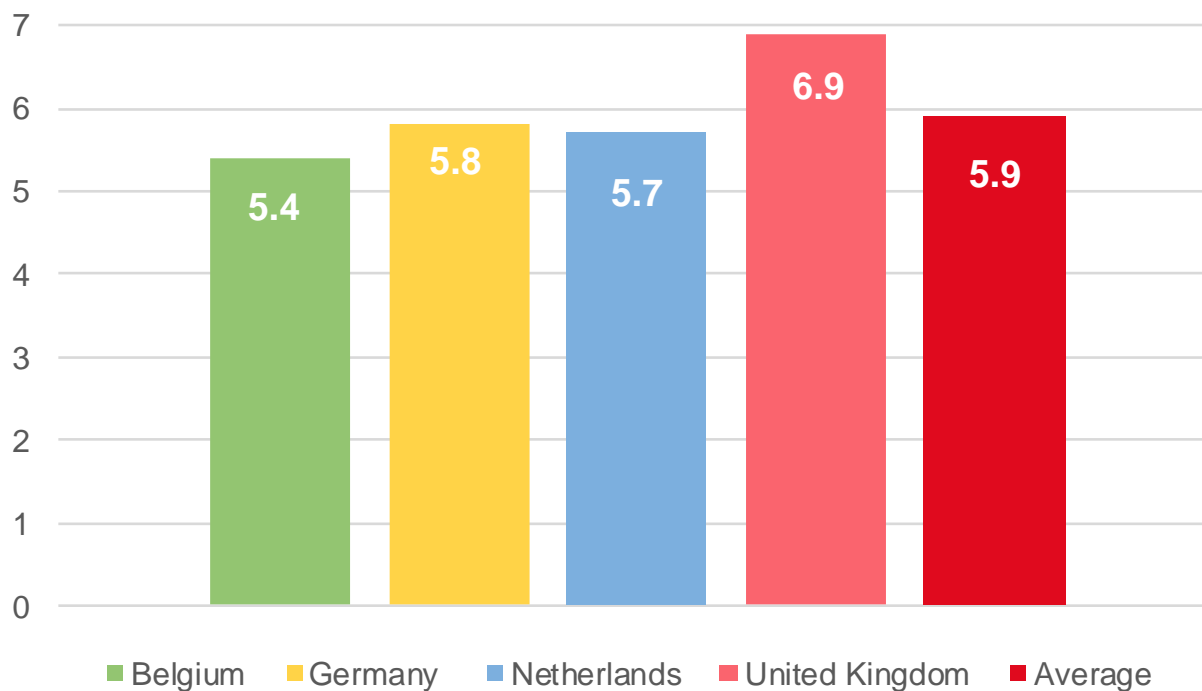
(As of 31 December 2019)



Marketable investment properties incl. assets classified as held for sale (€2,567 m).

# Gross yields on fair value

(As of 31 December 2019)



# Portfolio growth

## Development projects as of 31 December 2019 (1)

Projects and renovations		Operator	Investment	Inv. as of 31/12/2019	Future inv.	Comment
(in € million) <sup>1</sup>						
<b>Projects in progress</b>			<b>320</b>	<b>69</b>	<b>250</b>	
<b>Completion 2019/2020</b>			<b>75</b>	<b>48</b>	<b>27</b>	
BE	Kasteelhof	Senior Living Group	3	0	3	Extension of a care home
BE	SLG – energy saving project	Senior Living Group	2	0	2	Energy saving project
DE	Laurentiusplatz	Seniorenresidenz Laurentiusplatz	1	0	1	Renovation of a care home
DE	Seniorenquartier Kaltenkirchen <sup>3</sup>	EMVIA	15	11	3	Construction of a care campus
DE	Residenz Zehlendorf	EMVIA	6	5	1	Renovation of a care home
DE	Seniorenquartier Beverstedt <sup>3</sup>	EMVIA	10	5	5	Construction of a care campus
NL	Sorghuys Tilburg <sup>2</sup>	Ontzorgd Wonen Groep	3	3	0	Construction of a care residence
NL	LTS Winschoten <sup>2</sup>	Stichting Oosterlengte	13	12	0	Construction of a care residence
NL	De Merenhoef	Stichting Leger des Heils Welzijns- en Gezondheidszorg	0	0	0	Extension and renovation of a care home
NL	De Statenhof	Ontzorgd Wonen Groep	2	1	1	Extension and renovation of a care home
NL	Residentie Boldershof	Ontzorgd Wonen Groep	1	0	1	Renovation of a care home
NL	Verpleegcentrum Scheemda <sup>2</sup>	Stichting Oosterlengte	4	1	3	Construction of a care home
NL	Het Gouden Hart Harderwijk <sup>2</sup>	Het Gouden Hart	7	5	1	Construction of a healthcare site
NL	Residentie La Tour <sup>2</sup>	Ontzorgd Wonen Groep	6	2	4	Redevelopment of a healthcare site
NL	Villa Casimir <sup>2</sup>	Ontzorgd Wonen Groep	2	0	2	Redevelopment of a care residence
<b>Completion 2020/2021</b>			<b>176</b>	<b>20</b>	<b>155</b>	
BE	De Duinpieper	Dorian groep	3	2	1	Extension and renovation of a care home
BE	Sorgvliet	Senior Living Group	5	0	5	Extension of a care home
BE	Résidence Aux Deux Parcs	Senior Living Group	3	2	2	Extension of a care home
BE	Residentie 't Spelthof	Vulpia	6	0	5	Extension of a care home
NL	Nieuw Heerenhage <sup>2</sup>	Stichting Rendant	20	2	18	Construction of a healthcare site
NL	Residentie Sibelius	Ontzorgd Wonen Groep	9	0	9	Renovation of a healthcare site
NL	Stepping Stones Zwolle <sup>2</sup>	Stepping Stones Home & Care	5	0	5	Construction of a care residence
NL	Vinea Domini <sup>2</sup>	Ontzorgd Wonen Groep	3	0	3	Redevelopment of a care residence
NL	Villa Nuova <sup>2</sup>	Stepping Stones Home & Care	5	0	5	Construction of a care residence
DE	Pflege-campus Plauen <sup>2</sup>	Aspida	11	4	7	Construction of a care home
DE	Seniorenquartier Espelkamp <sup>3</sup>	EMVIA	15	2	13	Construction of a care campus
DE	Seniorenquartier Heiligenhafen <sup>3</sup>	EMVIA	13	1	12	Construction of a care campus
DE	Seniorenquartier Bremen <sup>3</sup>	EMVIA	15	1	14	Construction of a care campus
DE	Seniorenquartier Weyhe <sup>3</sup>	EMVIA	15	0	15	Construction of a care campus
DE	Seniorenquartier Sehnde <sup>3</sup>	EMVIA	12	0	12	Construction of a care campus
DE	Seniorenheim Haus Wellengrund <sup>2</sup>	Argentum	8	1	7	Redevelopment of a care home
DE	Seniorenquartier Wolfsburg <sup>3</sup>	EMVIA	28	4	24	Construction of a care campus
<b>Completion 2021/2022</b>			<b>46</b>	<b>1</b>	<b>45</b>	
DE	Seniorenquartier Langwedel <sup>3</sup>	EMVIA	16	0	15	Construction of a care campus
DE	Quartier am Rathausmarkt	Residenz Management	15	1	15	Construction of a care home
NL	Natatorium	Stepping Stones Home & Care	3	0	3	Extension of a care home
UK	Burlington projects	Burlington	4	0	4	Extension of care homes
UK	MMCG - extension projects	Maria Mallaband Care Group	8	0	8	Extension of care homes

<sup>1</sup> Amounts in GBP were converted into EUR based on the exchange rate of 31 December 2019 (1.1754 £/€).

<sup>2</sup> Although still under construction, the sites already generate limited rental incomes, in particular for the plots of land that have already been acquired. Their values are therefore no longer mentioned in the table above. This explains why the estimated investment values differ from those mentioned earlier.

<sup>3</sup> Part of the cooperation agreement with Specht Gruppe.



# Portfolio growth

## Development projects as of 31 December 2019 (2)

Projects and renovations		Operator	Investment	Inv. as of 31/12/2019	Future inv.	Comment
(in € million) <sup>1</sup>						
<b>Projects in progress</b>			<b>320</b>	<b>69</b>	<b>250</b>	
<b>Completion 2019/2020</b>			<b>75</b>	<b>48</b>	<b>27</b>	
<b>Completion 2020/2021</b>			<b>176</b>	<b>20</b>	<b>155</b>	
<b>Completion 2021/2022</b>			<b>46</b>	<b>1</b>	<b>45</b>	
<b>Completion 2023/2024</b>			<b>23</b>	<b>0</b>	<b>23</b>	
DE	Am Schäfersee	Vitanas	10	0	10	Renovation of a care home
DE	Am Stadtpark	Vitanas	5	0	5	Renovation of a care home
DE	Rosengarten	Vitanas	8	0	8	Renovation of a care home
DE	Am Tierpark	Vitanas	1	0	1	Renovation of a care home
<b>Land reserve</b>			<b>2</b>	<b>2</b>	<b>0</b>	
BE	Terrain Bois de la Pierre	-	2	2	0	-
<b>Acquisitions subject to outstanding conditions</b>			<b>45</b>	<b>0</b>	<b>45</b>	
<b>Completion 2019/2020</b>			<b>26</b>	<b>0</b>	<b>26</b>	<sup>4</sup>
DE	Wohnstift am Weinberg	Cosiq	20	0	20	Acquisition and renovation of a care home <sup>5</sup>
DE	BAVARIA Senioren- und Pflegeheim	Auriscare	6	0	6	Acquisition and renovation of a care home
<b>Completion 2021/2022</b>			<b>7</b>	<b>0</b>	<b>7</b>	
DE	Seniorenhaus Lessingstrasse	Seniorenhaus Lessingstrasse	7	0	7	Construction of a care home
<b>Completion 2023/2024</b>			<b>12</b>	<b>0</b>	<b>12</b>	
DE	Am Parnassturm	Vitanas	8	0	8	Acquisition and renovation of a care home
DE	Am Marktplatz	Vitanas	4	0	4	Acquisition and renovation of a care home
<b>Projects subject to outstanding conditions</b>			<b>114</b>	<b>0</b>	<b>114</b>	
<b>Completion 2020/2021</b>			<b>71</b>	<b>0</b>	<b>71</b>	
BE	Uilenspiegel	Senior Living Group	2	0	2	Extension of a care home
BE	Residentie van de Vrede	Vulpia	2	0	2	Extension of a care home
BE	Rembertus	Armonea	12	0	12	Construction of a care home
DE	Specht Gruppe (2020/2021) <sup>3</sup>	EMVIA	36	0	36	Construction & acquisition of care campuses
NL	Rendant Aldlânstate	Stichting Rendant	20	0	20	Construction of a senior housing site
<b>Completion 2021/2022</b>			<b>42</b>	<b>0</b>	<b>42</b>	
DE	Specht Gruppe (2021/2022) <sup>3</sup>	EMVIA	42	0	42	Construction & acquisition of care campuses
<b>TOTAL PIPELINE</b>			<b>480</b>	<b>71</b>	<b>409</b>	
Changes in fair value			-	-3	-	
Roundings			-	1	-	
<b>On balance sheet</b>				<b>69</b>		

<sup>1</sup> Amounts in GBP were converted into EUR based on the exchange rate of 31 December 2019 (1.1754 £/€).

<sup>2</sup> Although still under construction, the sites already generate limited rental incomes, in particular for the plots of land that have already been acquired. Their values are therefore no longer mentioned in the table above. This explains why the estimated investment values differ from those mentioned earlier.

<sup>3</sup> Part of the cooperation agreement with Specht Gruppe.

<sup>4</sup> Acquisition completed on 17/01/2020.

<sup>5</sup> Acquisition completed on 01/01/2020.

# Portfolio growth

Development projects as of 31 December 2019 (3)

Country	Development projects (in € million)
Belgium	39
Germany	326
The Netherlands	103
United Kingdom	12
<b>Total</b>	<b>480</b>

Rent	Development projects <sup>1</sup> (in € million)	Rent (in € million)	Yield <sup>2</sup>
Triple net	153	9	5.7%
Double net	326	17	5.2%
Land reserve	2		
<b>Total</b>	<b>480</b>	<b>26</b>	

<sup>1</sup> Amounts excluding contractual value of plots of land

<sup>2</sup> Yields based on total investment (including plots of land)

Fiscal year	Development projects (in € million)	Rent (in € million)
2019/2020	101	6
2020/2021	247	13
2021/2022	96	5
2022/2023	35	2
Land reserves	2	0
<b>Total</b>	<b>480</b>	<b>26</b>

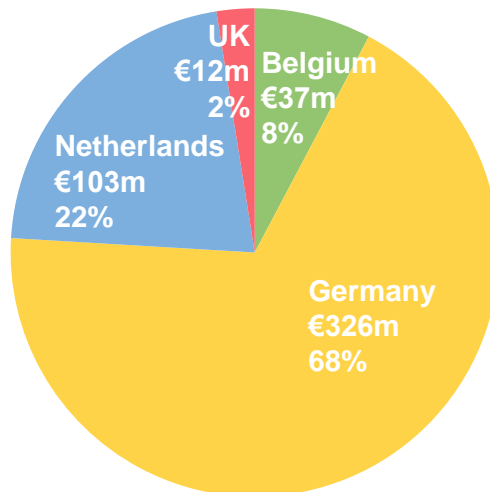
# Development projects

Pipeline: €480 million

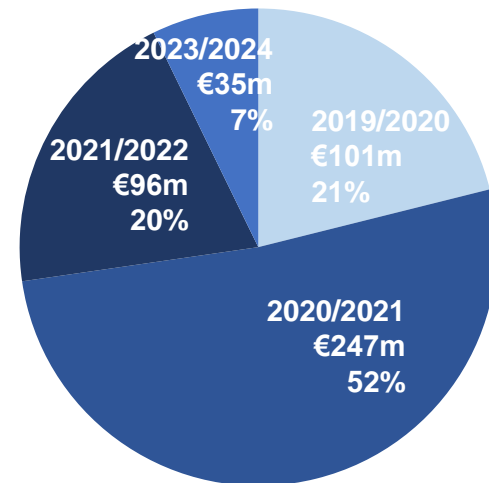
(As of 31 December 2019)

## > Projects: €478 million

Geographical split



Expected delivery date



## > IP, land reserves & others: €2 million

# Portfolio growth

## Development projects

### **Specht (AR1) – 01 Schwerin (DE)**

Construction start:  
28/02/2018  
Completed on:  
15/08/2019



### **Specht (AR1) – 02 Kaltenkirchen (DE)**

Construction start:  
31/05/2018  
Completed on:  
16/01/2020



### **Specht (AR1) – 03 Lübbecke (DE)**

Construction start:  
28/02/2018  
Completed on:  
31/03/2019



### **Seniorenzentrum Weimar (DE)**

Completed on:  
1/10/2019





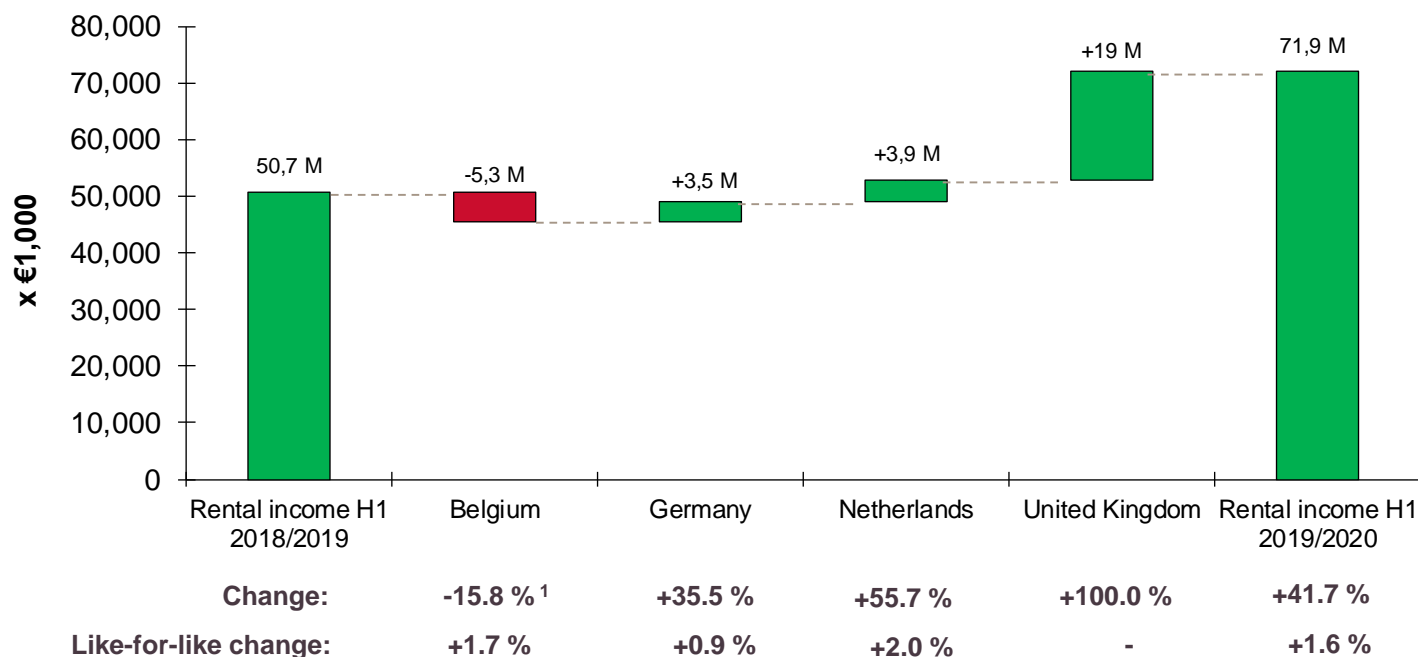
# Financials



The Hawthorns  
Southampton - United Kingdom

# Rental income

(As of 31 December 2019)



	Rental income (K€)	%
BE	28,454	39.5%
DE	13,549	18.8%
NL	10,910	15.2%
UK	19,057	26.5%
<b>Total</b>	<b>71,970</b>	

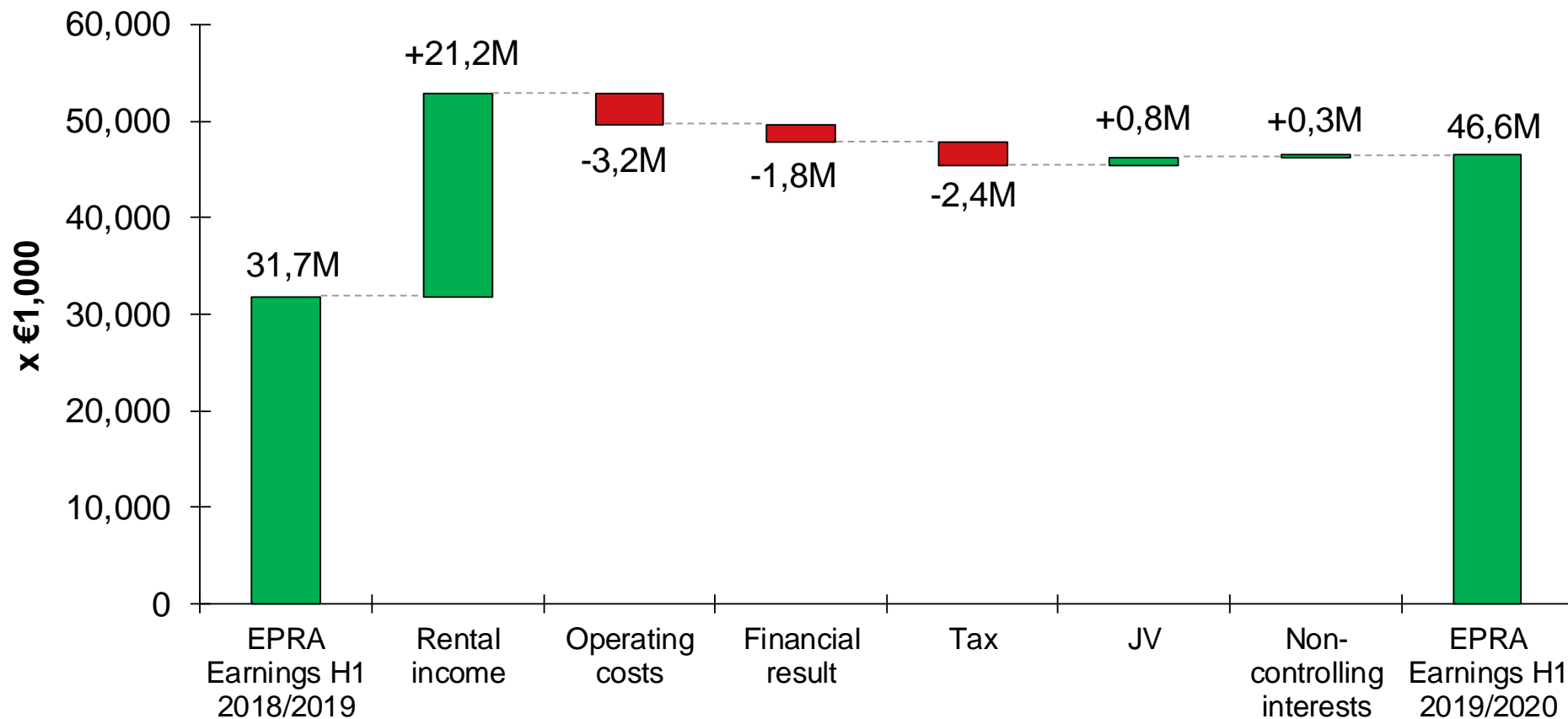
**42 % increase YoY**

<sup>1</sup> Due to the divestment of the non-strategic parts of the portfolio (apartment buildings and hotels, located in Belgium).



# EPRA Earnings

(As of 31 December 2019)



# Income Statement

## Market driven

Income Statement - analytical scheme (x €1,000)	31 December 2019	31 December 2018	Var.
Rental income	71,970	50,798	+42%
Rental-related charges	-591	8	
Net rental income	71,378	50,806	+40%
Operating charges	-11,311	-8,671	
Operating result before result on portfolio	60,068	42,135	+43%
EBIT margin %	84%	83%	
Financial result excl. changes in fair value	-10,432	-8,634	
Corporate tax	-3,827	-1,379	
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA Earnings	770	0	
Non-controlling interests in respect of EPRA Earnings*	-29	-383	
<b>EPRA Earnings (owners of the parent)</b>	<b>46,550</b>	<b>31,739</b>	<b>+47%</b>
Denominator (IAS 33)	24,601,110	18,255,720	
<b>EPRA Earnings (owner of the parent) per share (€/share)</b>	<b>1.89</b>	<b>1.74</b>	<b>9%</b>

# Income Statement

## Market driven

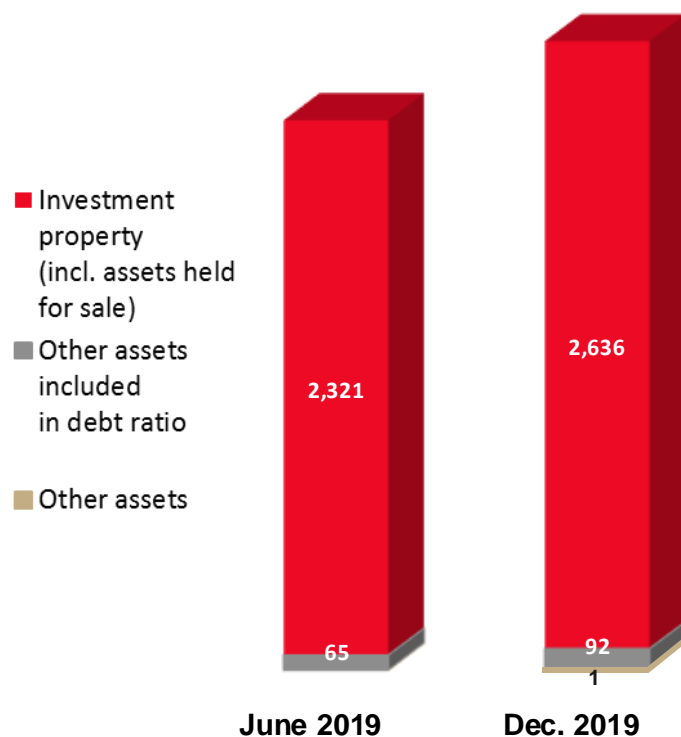
Income Statement - analytical scheme (x €1,000)	31 December 2019	31 December 2018
EPRA Earnings	46,550	31,739
Changes in fair value of financial assets and liabilities	3,418	-187
Changes in fair value of investment properties	19,980	13,095
Gains and losses on disposals of investment properties	1,268	-70
Negative goodwill / goodwill impairment	0	-132
Deferred taxes in respect of EPRA adjustments	-3,770	-1,845
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of the above	1,827	0
Non-controlling interests in respect of the above	-99	-3,833
Roundings	0	1
<b>Profit (owners of the parent)</b>	<b>69,174</b>	<b>38,768</b>
Denominator (IAS 33)	24,601,110	18,255,720
<b>Earnings per share (owners of the parent - IAS 33 - €/share)</b>	<b>2.81</b>	<b>2.12</b>

# Consolidated balance sheet (€ m)

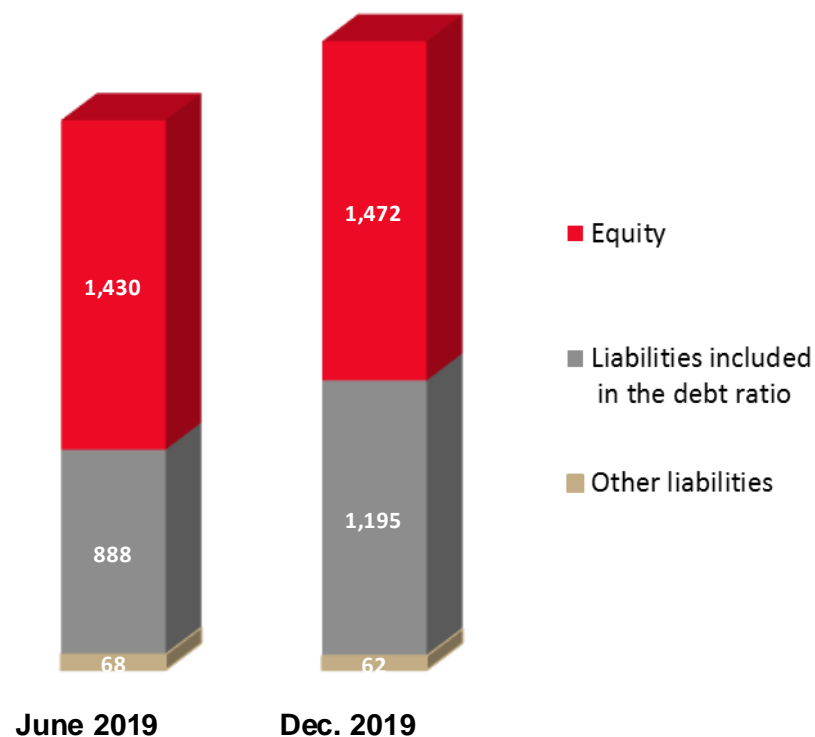
Balance sheet total: €2.73 billion

(As of 31 December 2019)

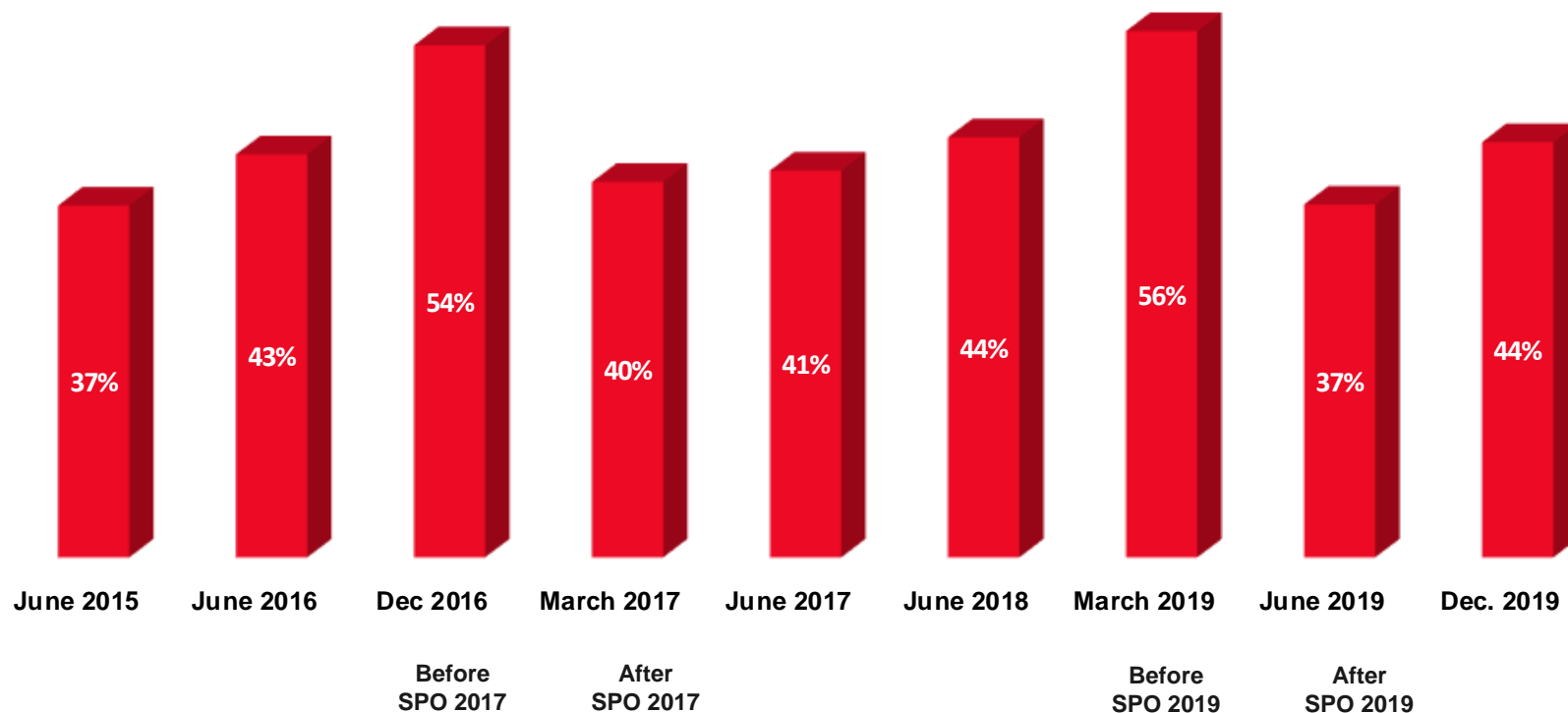
## Assets



## Equity & Liabilities



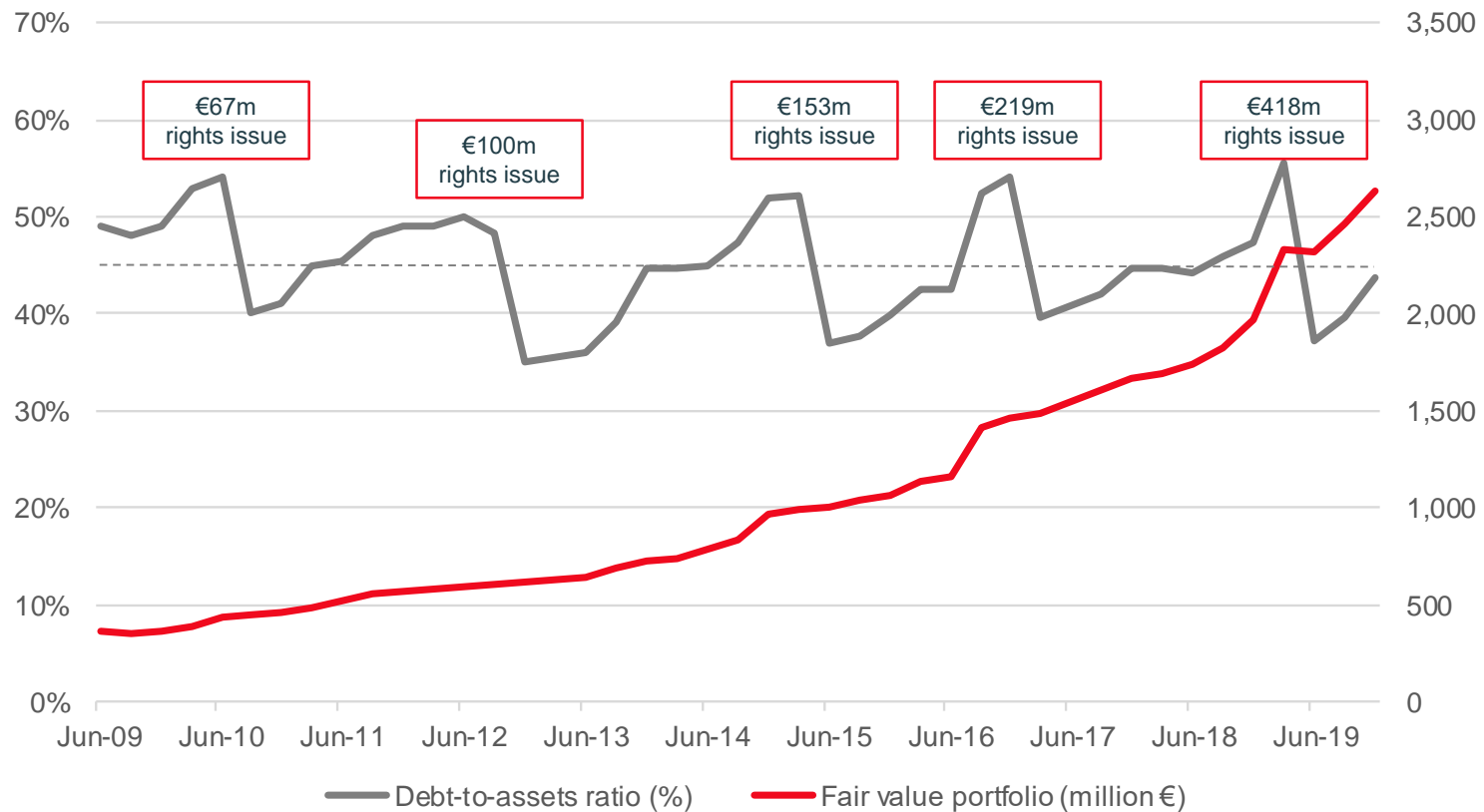
# Debt-to-assets ratio



- > **Investment capacity:** approx. €1.1 billion\*
- > Following the acquisition of **Hoivatilat**, Aedifica's debt-to assets ratio will increase by  $\pm 12\%$ .

\* Taking into account a debt-to-assets ratio of max. 60 % (based on existing bank covenants).

# Debt-to-assets ratio



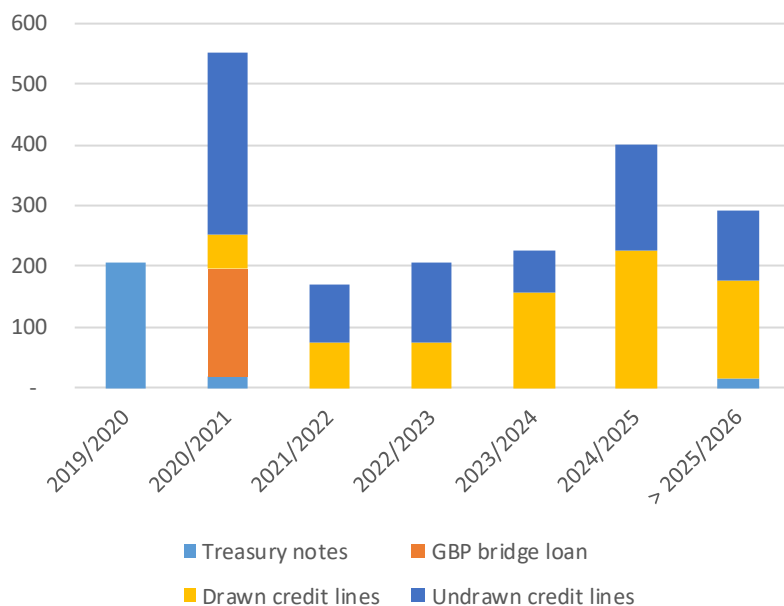
> Over the past 10 years, Aedifica maintained an **average debt-to-assets ratio of 45%**.



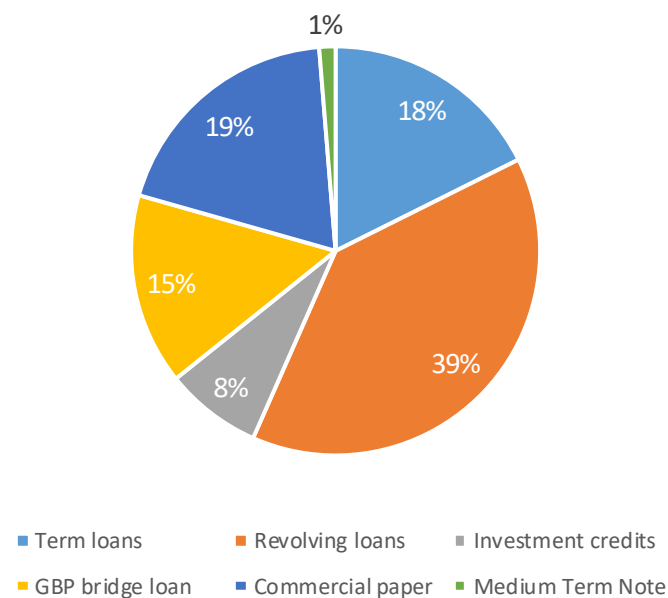
# Credit facilities

(As of 31 December 2019)

## > Debt maturity profile



## > Total financial debt: €1.165 m



- > Average maturity: 4,5 years
- > In October 2019, a €300 million bridge facility was concluded to finance the acquisition of Hoivatilat, while the already existing GBP bridge facility was renewed
- > Aedifica concluded 3 new bank facilities for a total amount of €90 million

# Net asset value

Net asset value per share (in €)	31 Dec. 2019	30 June 2019	Var.
<b>Based on fair value of investment properties</b>			
Net asset value	59.64	55.90	7%
Effect of the changes in fair value of hedging instruments	<u>1.79</u>	<u>2.05</u>	
<b>Net asset value excl. changes in fair value of hedging</b>	<b>61.43</b>	<b>57.96</b>	<b>6%</b>

**Premium on 18 February 2020:**  
**129% vs NAV at FV incl. IAS 39**  
**122% 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)
- > Dividend track record

# Dividend Policy

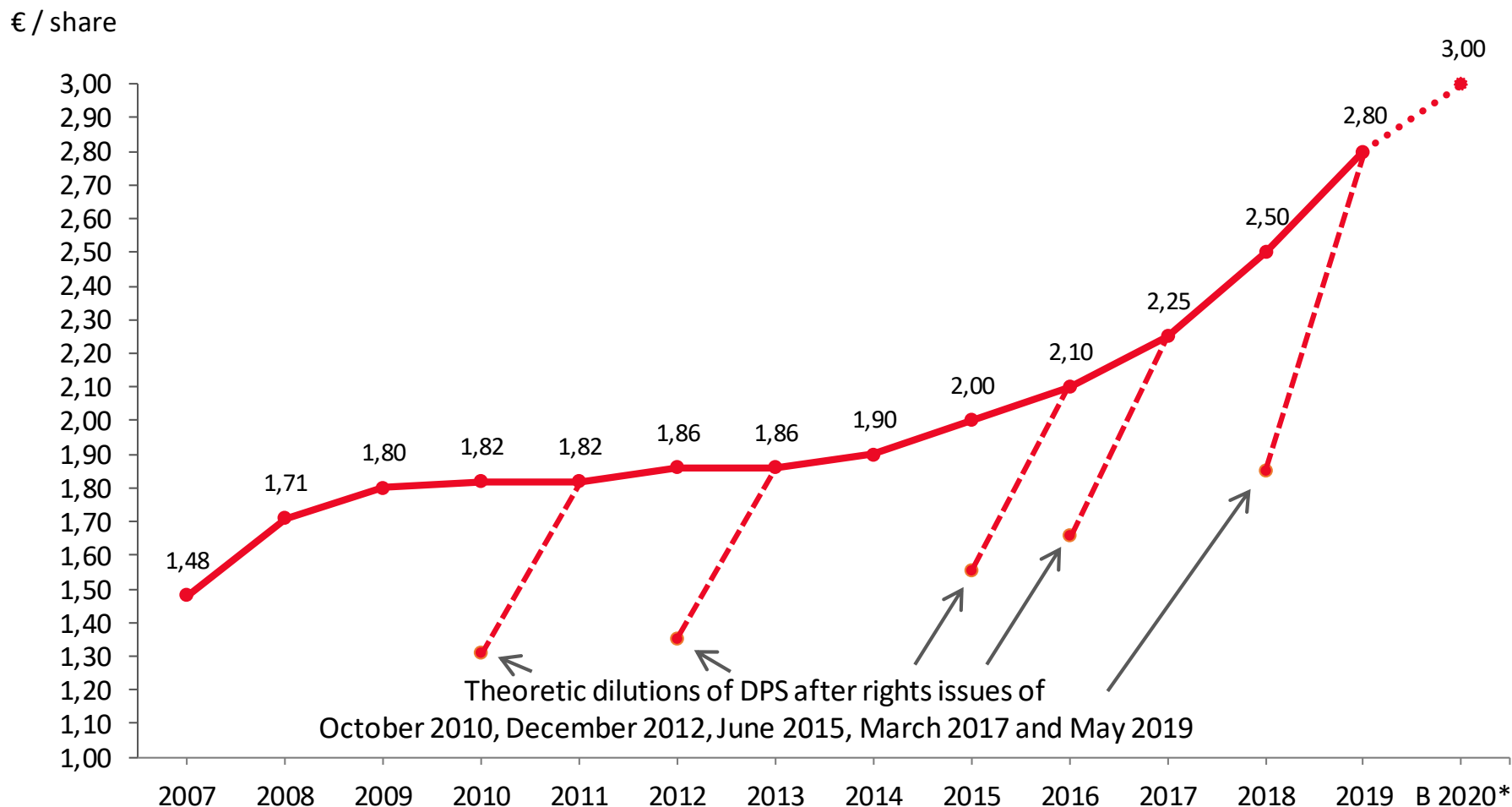
- > **DPS 2018/2019: €2.80 / share (gross)**
  - 12% higher than PY and in line with guidance
  - No dilution
  - Statutory pay-out ratio: 85%
- > **DPS 2019/2020: €3.00 / share (gross)**
  - 7% higher than PY
- > **Withholding tax:**
  - General rule: 30 %
  - Reduced to 15 % for healthcare REITs

# Shares & shareholders



Martha Flora Bosch en Duin  
Bosch en Duin - Netherlands

# Dividend track record

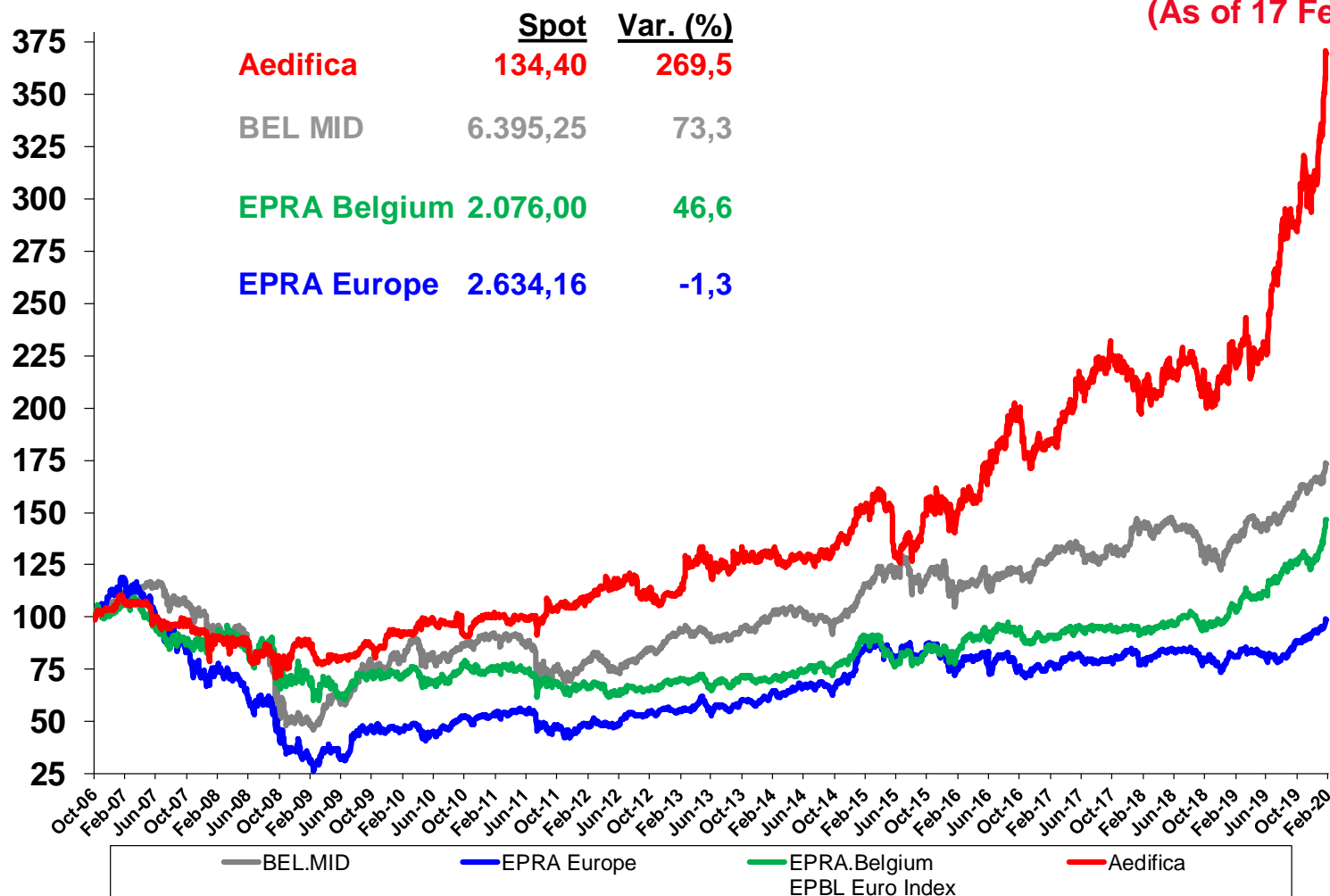


\* 2019/2020 budgeted dividend (see section 7 of the Board of Directors' Report included in the 2018/2019 Annual Financial Report).



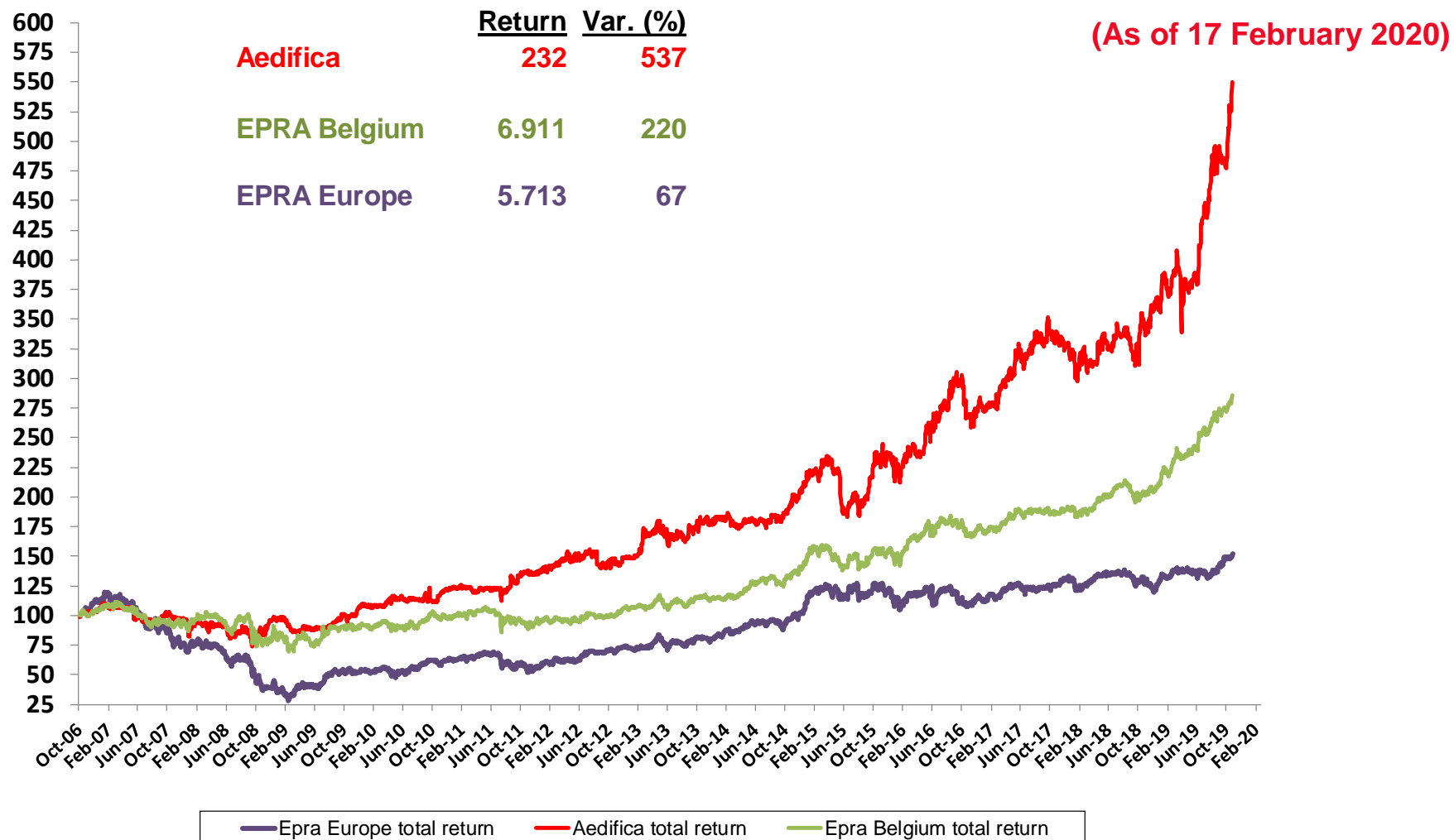
# Share price since IPO

(As of 17 February 2020)



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), 2017 (- €1,60) and 2019 (- €1,73), i.e. an adjusted IPO price of €32.96.

# 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), 2017 (- €1,60) and 2019 (- €1,73), i.e. an adjusted IPO price of €32.96.

# Shareholding<sup>1</sup>

(As of 31 December 2019)

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

SHAREHOLDERS	Share in capital (in %)
BlackRock, Inc.	5.00
Others < 5 %	95.00
<b>Total</b>	100.00

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

<sup>1</sup> A total of 24,601,158 shares are listed on Euronext Brussels and Euronext Amsterdam (18 February 2020).

<sup>2</sup> According to the definition of Euronext.

# Awards

## EPRA

### EPRA Reporting: Best Practices Recommendations (BPR)

- > Annual Report 2013/2014
- > Annual Report 2014/2015
- > Annual Report 2015/2016
- > Annual Report 2016/2017
- > Annual Report 2017/2018



- > Sustainability Report 2018



# Awards

## Euronext

### BEL Mid Company of the Year 2019

- > In January 2020, Aedifica won this award after the Group recorded the highest relative increase in market capitalisation for the year 2019



## > Transparency

- NV/SA
- Management in the box
- 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

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

# Outlook



SARA Seniorenresidenz  
Bitterfeld-Wolfen - Germany

- > **After May 2019 capital increase and divestment of non-core segments: focus on investments**
- > **New investments in healthcare real estate:**
  - New cash flow generating investments H1 2019/2020 + Q3 2019/2020 until today (excl. Hoivatilat) ~ €300 million vs. est. B 2020: €215 million
  - Completion of Hoivatilat take over bid on January 10, 2020
  - Development projects combined pipeline of ~ €600 million (incl. Hoivatilat)
- > **Cautious assumptions on GBP due to Brexit**
- > **Maintaining sound balance sheet**
  - Average debt-to-asset ratio: historically at 45%
  - Actual debt-to-asset ratio after completion of Hoivatilat: approx. 55%
  - Refinancing of the bridge facility expected in the course of 2020

# Outlook FY 2019/2020 update

- > **Budgeted rental income: €163 million**
- > **Budgeted EPRA Earnings: €97 million**
- > **Budgeted EPRA EPS: €3.95/share <sup>1</sup>**
- > **Budgeted DPS: € 3.00/share (gross), 7% higher than PY**

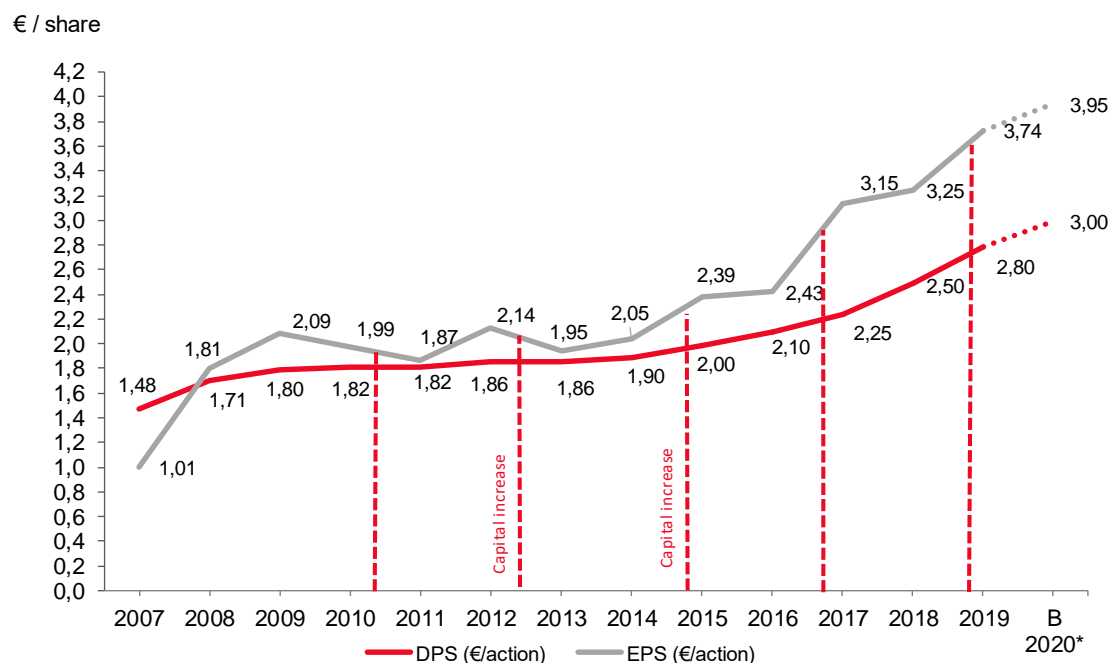
<sup>1</sup> Outstanding shares: 24,601,158.

# Outlook beyond FY 2019/2020

## > 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

## > Continuing the track record



# Aedifica & Hoivatilat joining forces in the Nordics



SARA Seniorenresidenz  
Bitterfeld-Wolfen - Germany



# Recommended tender offer

## Summary

- > **Successful tender offer** completed on 10 January 2020
- > Approx. **98%** of the shares **controlled** by Aedifica
- > **Squeeze out** and **delisting** from Nasdaq Helsinki procedures started on 15 January 2020
- > **The offer**
  - Price offered of **€16,00 per share**
  - For all **25.502.602 issued and outstanding shares**<sup>1</sup>
  - **Offer period** started on 11 November 2019 and ended 9 January 2020
- > **Hoivatilat FY 2019 results** will be published on 21 February

Any company information concerning Hoivatilat provided in this presentation is per 30 September 2019 unless specifically stated otherwise

<sup>1</sup> During the offer period, an additional 63.400 shares were issued to participants in Hoivatilat's existing long-term share-based incentive plan



# Completed portfolio

## Map<sup>1</sup>

**148**

Properties

**34**

Tenants

**85%**

Contractual rent from most  
populated Finnish areas

**Segment focus**

Children's day-care, elderly care  
and specialist care

**€25,5 million**

Contractual rent

**13 years<sup>2</sup>**

WAULT of  
completed portfolio

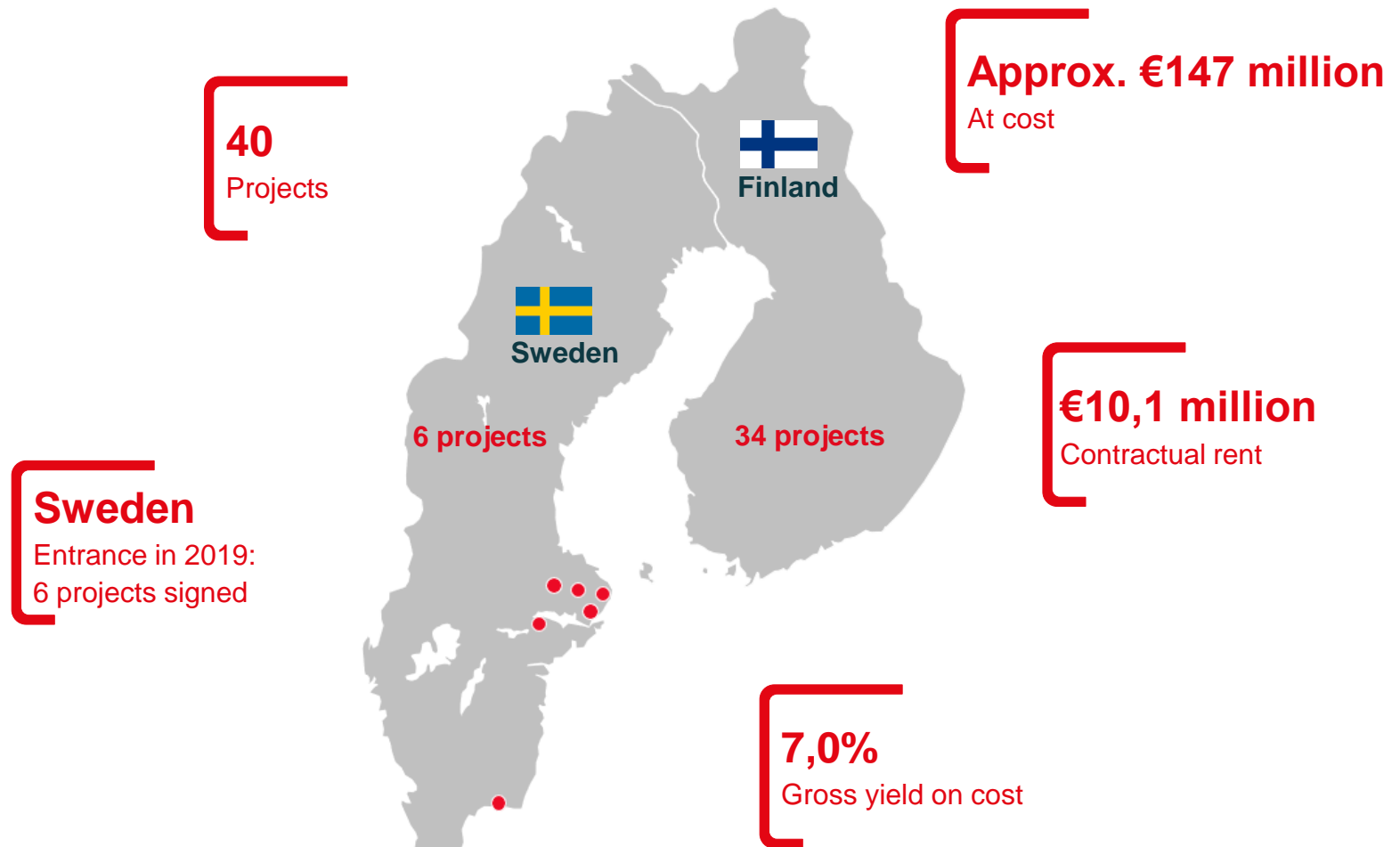


<sup>1</sup> Per 30/09/2019

<sup>2</sup> Aligned with Aedifica's calculation method

# Development

## Committed pipeline: map and features<sup>1</sup>



# Joining forces in the Nordics

- > **Entering the Nordic healthcare real estate markets**
  - One of the fastest ageing populations in Europe
  - Nordic welfare states
- > **Sizeable high quality healthcare real estate portfolio**
  - Average age of completed buildings of 2,5 years
  - 100% occupancy
  - Diversified tenant base with major Nordic healthcare operators
- > **Committed development pipeline and continuous fueling of future development pipeline**
- > **Long term inflation-linked leases**
  - WAULT of 13 years<sup>1</sup> of completed portfolio
- > **Well-established development and management platform with impressive track-record**
- > **Value-creation through build and hold model**
  - Yield on cost > market yield

<sup>1</sup> Aligned with Aedifica's calculation method

# Joining forces in the Nordics

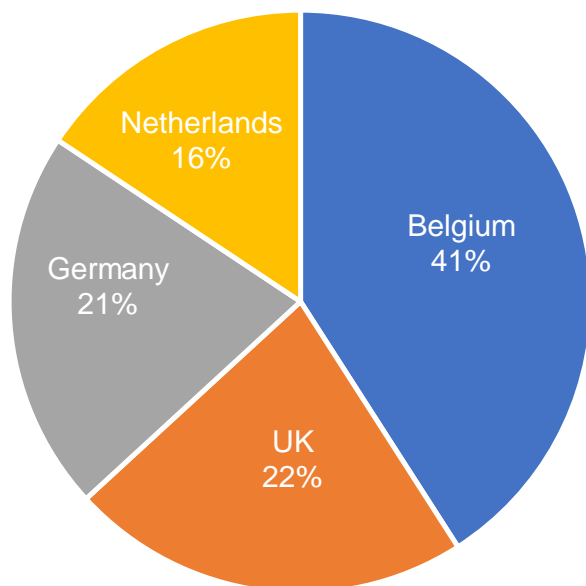
## **Aedifica and Hoivatilat joining forces in the Nordics**

- > Unlocking potential for further value creation and growth**
- > Attractive returns vs compressing yields in today's European healthcare real estate market**
- > Solid underlying risk-profile of the Nordic welfare states**

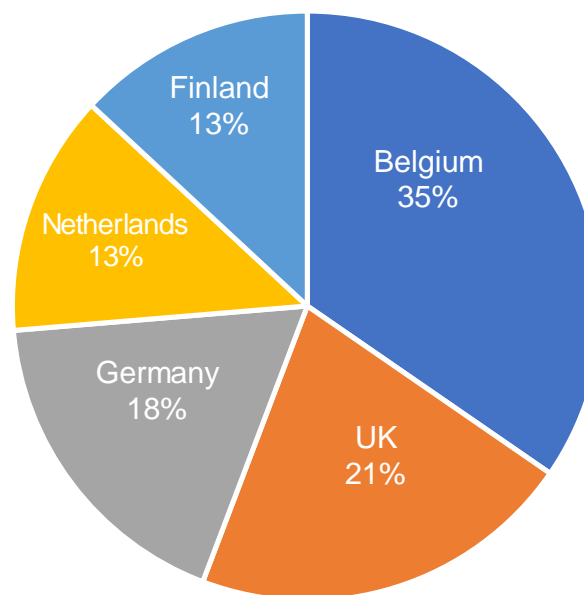
# Going forward

## Enhanced geographical diversification<sup>1</sup>

Aedifica per 31/12/2019



Est. February 2020<sup>2</sup>



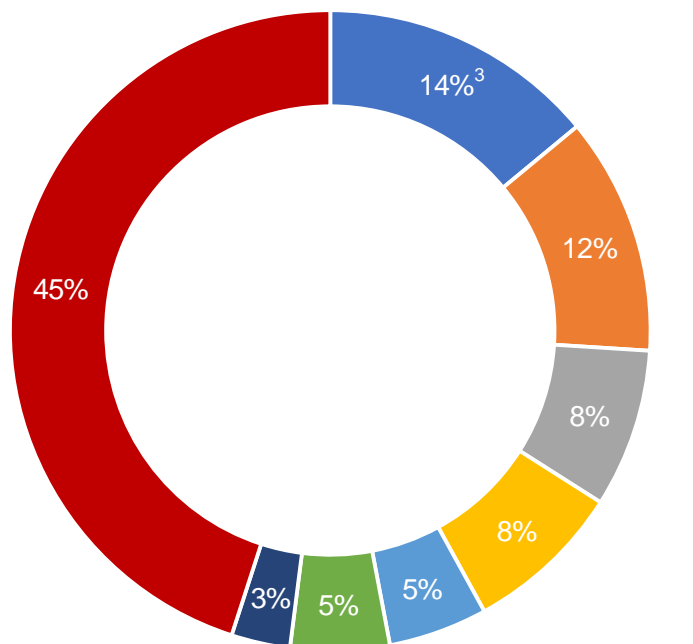
<sup>1</sup> Measured by fair value of investment properties

<sup>2</sup> Includes acquisitions realized by Aedifica since 01/01/2020: Hoivatilat (fair value per 30/09/2019), Bavaria portfolio and UK portfolio acquisition of 14/01/2020).

# Going forward

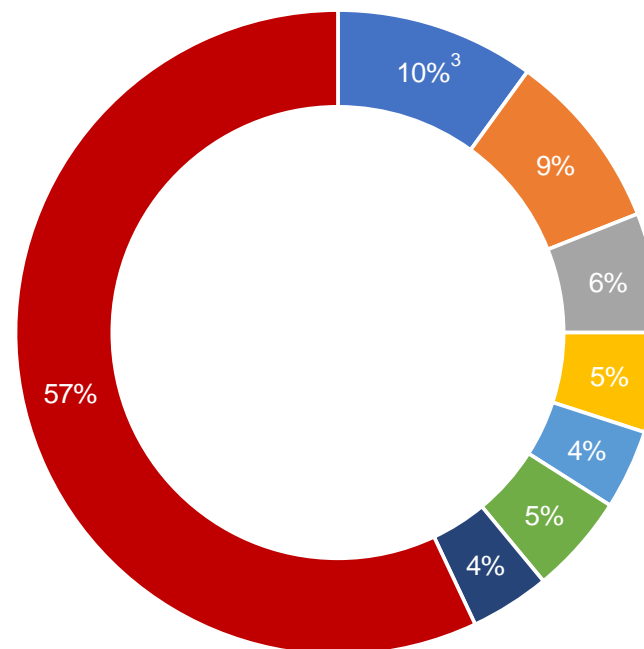
## Enhanced tenant diversification<sup>1</sup>

Aedifica per 31/12/2019



- Senior Living Group
- Armonea
- Orpea
- Vulpia
- Burlington
- Maria Mallaband
- Care UK
- Other < 3%

Est. February 2020<sup>2</sup>



- Senior Living Group
- Armonea
- Vulpia
- Orpea
- Maria Mallaband
- Burlington
- Vitanas
- Other < 3%

<sup>1</sup> Based on contractual rent of completed investment properties per 31/12/2019 for Aedifica, per 30/09/2019 for Hoivatilat

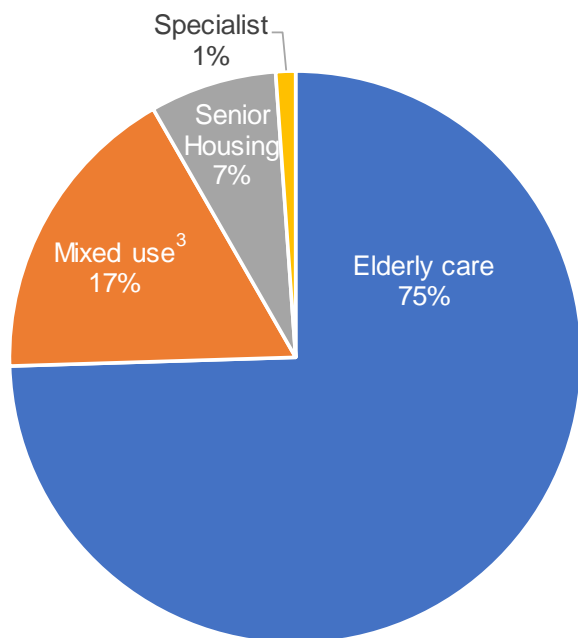
<sup>2</sup> Includes acquisitions realized since 01/01/2020 (Hoivatilat figures per 30/09/2019, Bavaria portfolio and UK portfolio acquisition of 14/01/2020).

<sup>3</sup> Taking into account the recent acquisitions of Senior Living Group, Korian group's concentration within Aedifica's tenants would have been 17% per 31/12/2019 and estimated 14% per February 2020.

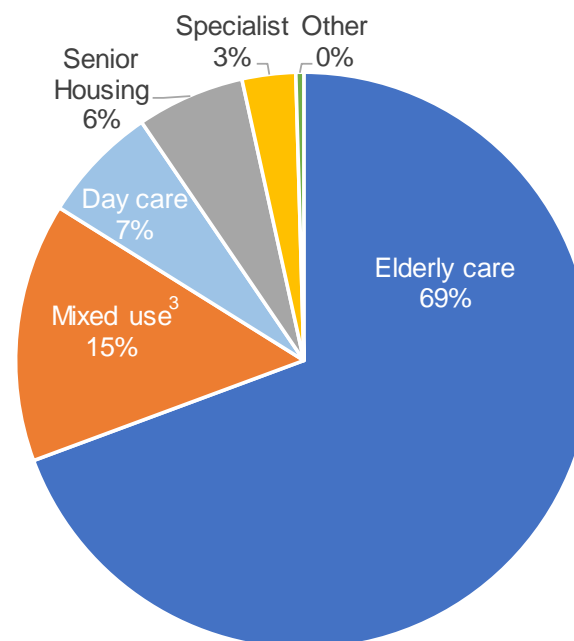
# Going forward

## Segment breakdown<sup>1</sup>

Aedifica per 31/12/2019



Est. February 2020<sup>2</sup>



<sup>1</sup> Based on fair value of completed investment properties

<sup>2</sup> Includes acquisitions realized since 01/01/2020 (Hoivatilat figures per 30/09/2019, Bavaria portfolio and UK portfolio acquisition of 14/01/2020).

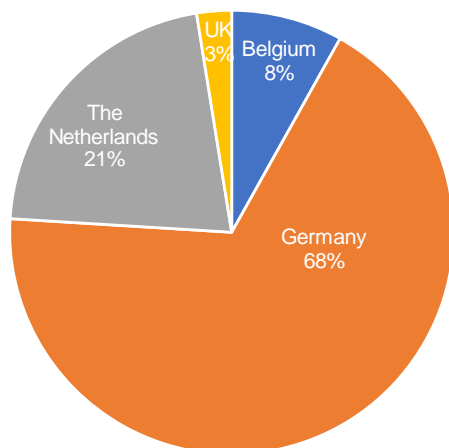
<sup>3</sup> 'Mixed use' segment includes healthcare buildings for care dependent seniors and independent seniors with on-demand services.



# Going forward

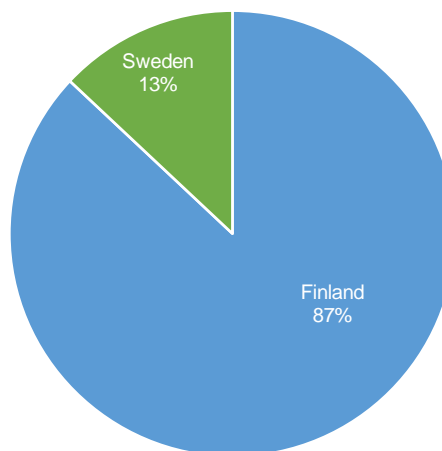
## Enhanced growth potential: combined pipelines<sup>1</sup>

Aedifica per 31/12/2019



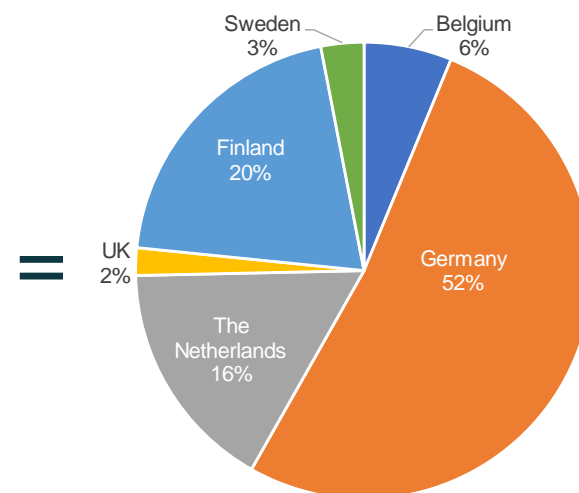
€480 million

Hoivatilat per 30/09/2019



€147 million

Combination



€627 million

<sup>1</sup> Based on investment cost

# Conclusion



Huize Eresloo  
Eersel – The Netherlands

# 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: 21 years
- > Solid investment, equity and debt-financing track record
- > Strong dividend track record



**Stefaan Gielens** – Chief Executive Officer

**Ingrid Daerden** – Chief Financial Officer

# Aedifica NV/SA



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

Rue Belliard 40 / Belliardstraat 40 (box 11)  
1040 Brussels

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

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

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



# 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



Hof van Schoten  
Schoten - Belgium



# 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

# Innovative healthcare real estate

## Martha Flora Rotterdam

The Martha Flora Rotterdam care residence in Rotterdam (NL) combines a **sustainable** building design with **innovative** technologies, while focusing on the **wellbeing** of the residents and their families.



# Innovative healthcare real estate

## Martha Flora Rotterdam

- > **Specifically designed** to offer safe & secure small-scale housing & care to **persons with dementia**
- > Focus on **wellbeing & comfort**
- > **Meander**: central space
  - Library
  - Living room
  - Kitchen
  - Workshop
  - Garden/roof terrace
- > 29 care units



# Innovative healthcare real estate

## Martha Flora Rotterdam

- > **100% green energy** provided by 296 solar panels
  - providing sufficient energy for the thermal and hot water installation
- > **Heat and cold storage** installation
  - using 2 heat pumps and 125m deep sources to extract soil energy for heating and cooling
- > **Overhangs** prevent direct sunlight & excessive heating in summer
- > Balanced ventilation with **heat recovery**
- > Re-used construction **materials**
- > Triple HR+++ glass
- > No use of natural gas
- > Composition takes into account the sun orientation



# Notes