



# 1<sup>st</sup> Quarter results 2019/2020

Brussels, 13 November 2019

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# Highlights Q1 2019/2020



Huize Hoog Kerckebosch  
Zeist – The Netherlands

# Highlights

## Q1 2019/2020 (1)

- > **Rental income:** €35 million, +44% YoY, +1.6% L-F-L
- > **Real estate portfolio** of €2.4 billion, +6% (+€140 million) compared to 30 June 2019
- > **Weighted average unexpired lease term:** 21 years
- > **Occupancy rate:** 100%
- > **Tender offer** on the shares of Hoivatilat Plc, a Finnish healthcare real estate investor

# Highlights

## Q1 2019/2020 (2)

- > **274 healthcare sites** comprising 20,000 units in 4 countries
  - **€1,042 million** in **Belgium** (79 sites)
  - **€435 million** in **Germany** (53 sites)
  - **€401 million** in **the Netherlands** (52 sites)
  - **€534 million** in **the United Kingdom** (90 sites)
- > **Pipeline** of €414 million in acquisitions, construction and renovation projects
- > **Debt-to-assets ratio:** 39.6%

# Investment activity

## 11 healthcare sites added or announced during Q1 2019/2020 > €100 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>0</b>	<b>18</b>				
Seniorenhaus Lessingstrasse	Acquisition	Wurzen	21/08/2019	-	7	5.5%	Q3 2021	25 years - NN	Seniorhenhaus Lessingstrasse
Haus Wellengrund	Acquisition & redevelopment	Stemwede	27/09/2019	-	11	6%	Q3 2020	30 years - NN	Argentum
<b>Netherlands</b>				<b>59</b>	<b>11</b>				
Rumah Saya	Acquisition	Appeldoorn	9/07/2019	10	-	6%		15 years - NNN	Stichting Nusantara Zorg
Residentie La Tour Villa Casimir	Acquisition & redevelopment	Roermond	9/07/2019	4	8	6%	2020	20 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%		NN leases (WAULT 26 years)	NNCZ
<b>United Kingdom</b>				<b>-</b>	<b>12</b>				
Bessingby Hall, York House, The Sycamores, Southlands, The Elms & Oakwood, Blenheim, Coplands, Eltandia Hall and Heritage	Extension of nine existing care homes	United Kingdom	18/09/2019	-	12	7%	2020	NNN leases	Burlington Care MMCG
<b>Total</b>				<b>59</b>	<b>41</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).

<sup>2</sup> The amounts in this column are the budgets for development projects that Aedifica will finance or for acquisitions of which the usual conditions will be fulfilled in the coming months. Development projects are always pre-let and are listed in the pipeline of projects and renovations.

# Investment activity

## 6 projects completed during Q1 2019/2020

Name	Type	Location	Date	Investment (€ million) <sup>1</sup>	Gross rental yield (approx. %)	Lease	Operator
<b>Germany</b>				<b>52</b>			
Zur alten Linde Seniorenwohnpark Hartha	Acquisition	Rabenau Tharandt	8/07/2019	18	6%	30 years - NN	EMVIA Living
Haus Steinbachhof Seniorenhaus Wiederitzsch	Acquisition	Chemnitz Leipzig	9/07/2019	23	6%	19 years - NN 24 years - NN	Casa Reha Convivo
Seniorenquartier Schwerin	Development	Schwerin	15/08/2019	11	5.5%	30 years - NN	EMVIA Living
<b>United Kingdom</b>				<b>3</b>			
Cowdray Club	Renovation	Aberdeen	23/08/2019	3	7%	25 years - NNN	Renaissance
<b>Total</b>				<b>55</b>			

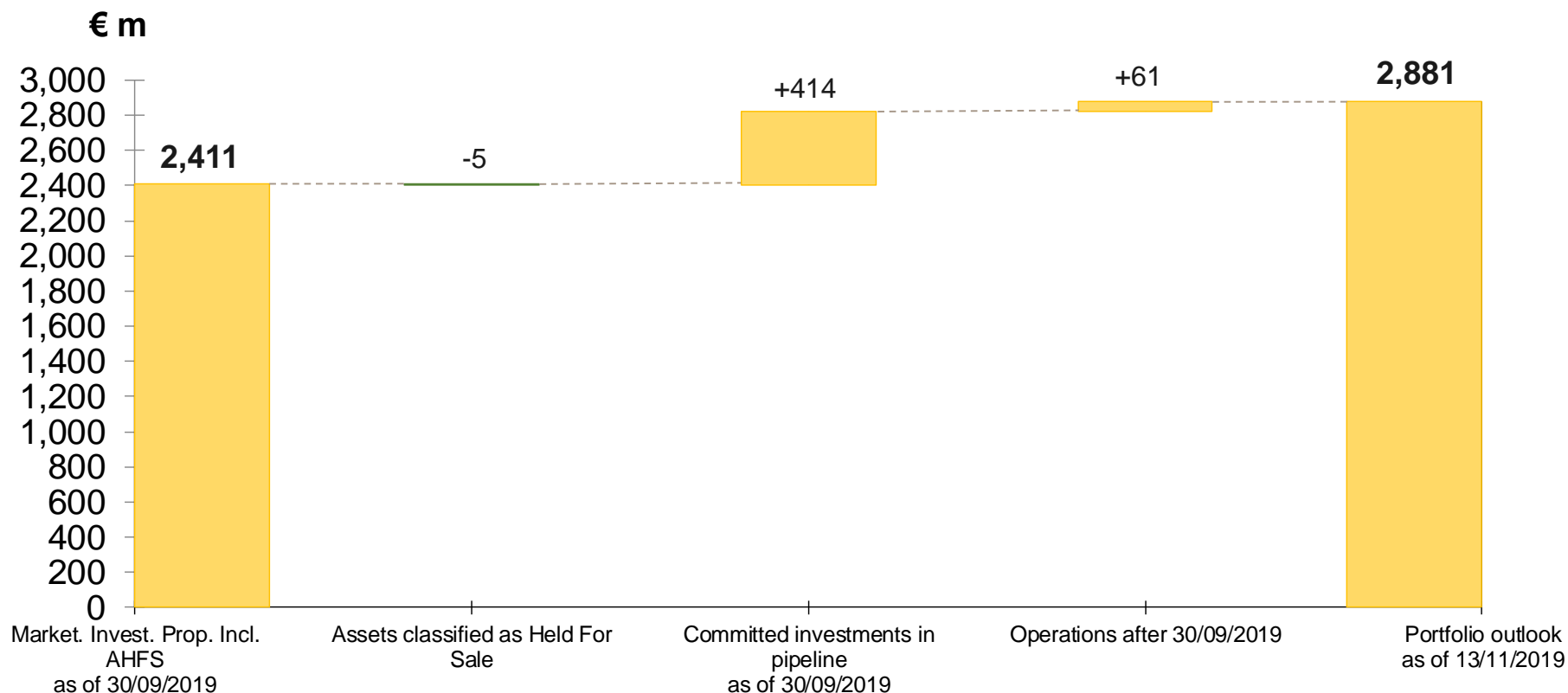
<sup>1</sup> For completed development projects, this amount includes only the budget for the works that were carried out (excluding the contractual value of the plot of land).



# Portfolio outlook

Total portfolio outlook: €2.88 billion <sup>1</sup>

(As of 13 November 2019)



<sup>1</sup> Without regard to the tender offer on Hoivatilat Plc.



# Strategy

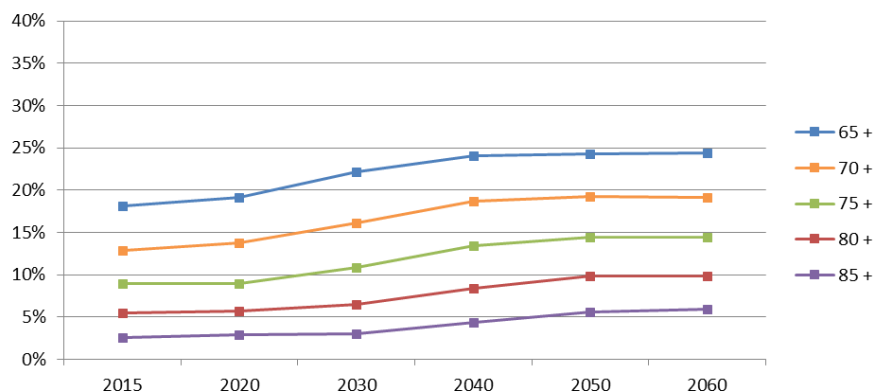


Seniorenquartier Lübbecke  
Lübbecke - Germany

- > Belgian REIT (RREC/SIR/GVV)
  - market cap ~ €2.7 billion
  - free float of 100%
  - marketable investment properties ~ €2.4 billion
  - approx. 1,270,000 m<sup>2</sup>
  - WAULT ~ 21 years
- > Market reference in European listed healthcare real estate
- > European focus
  - Belgium
  - Germany
  - The Netherlands
  - The United Kingdom

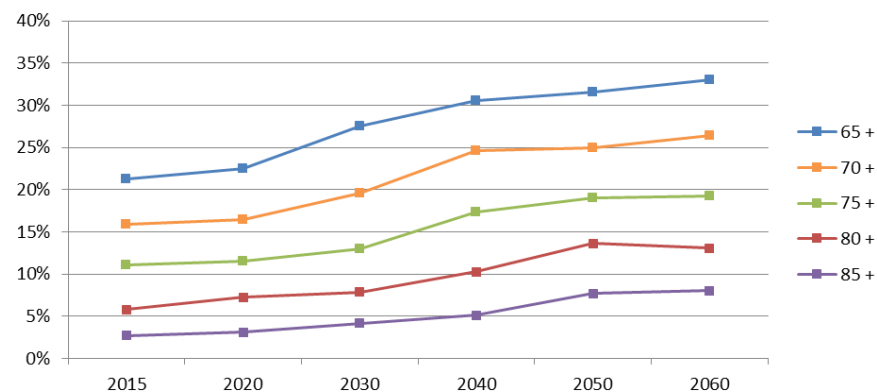
# Demographic evolution

## Ageing in Belgium



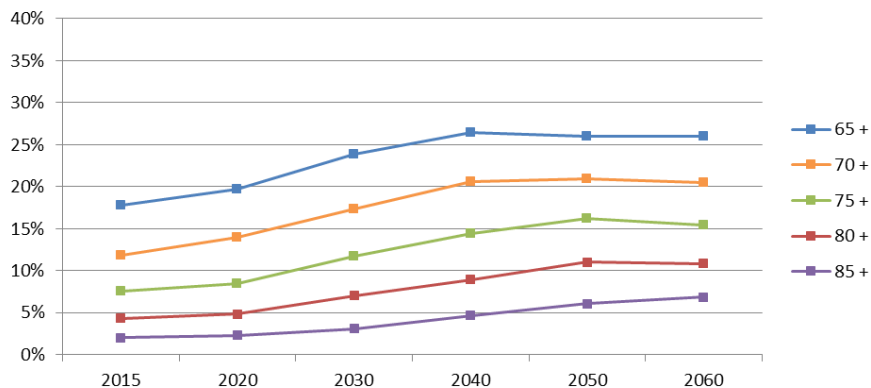
Source: "Perspectives de population 2017-2061", Belgian Federal Planning Bureau, 2018.

## Ageing in Germany



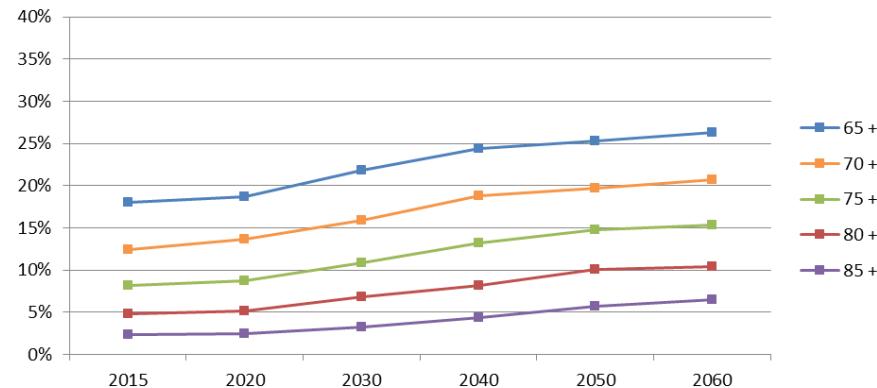
Source: "Bevölkerung Deutschlands bis 2060", Statistisches Bundesamt (Deutschland), 2015.

## 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.

# Achievements

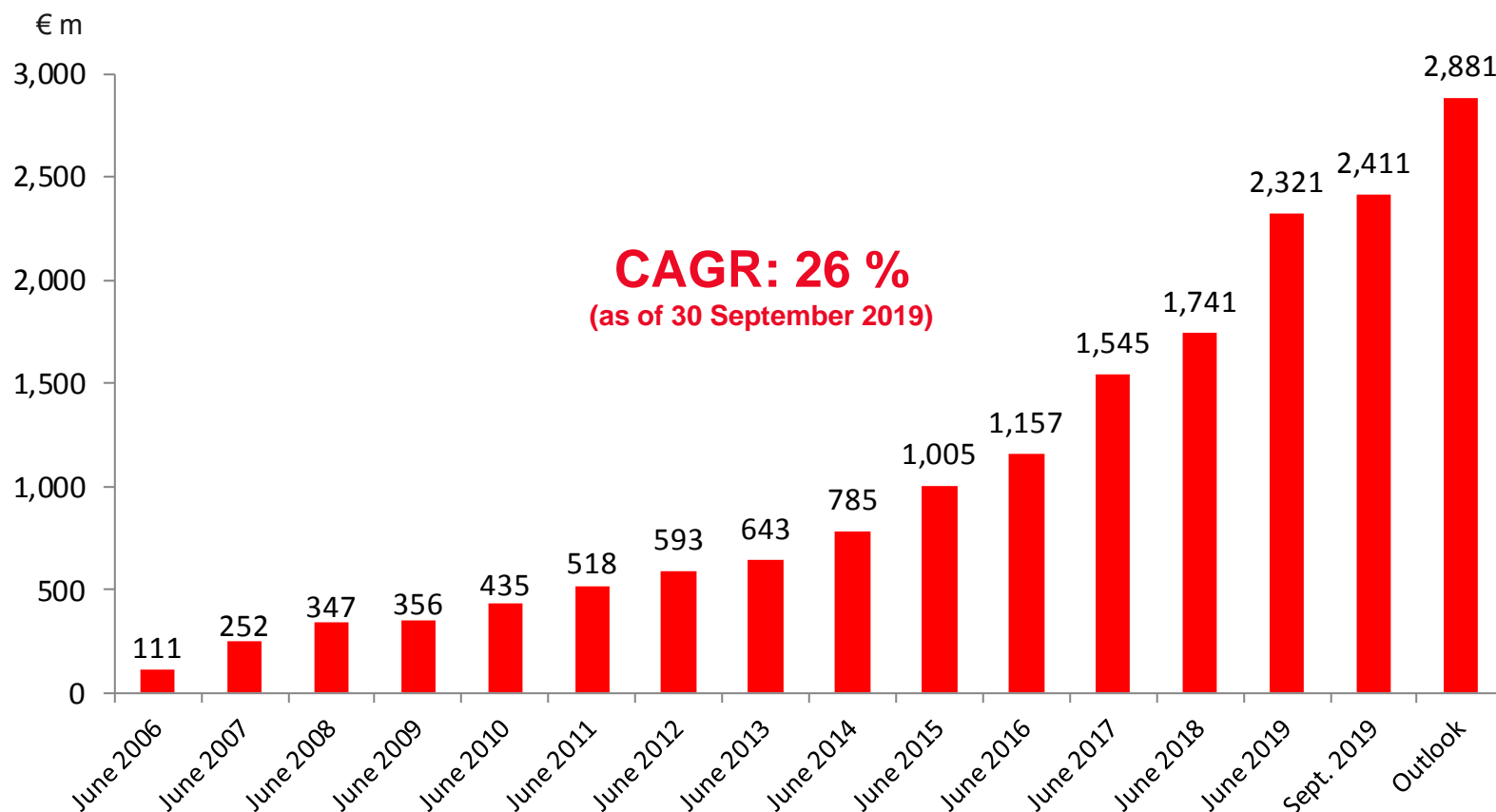


De Kaap  
Hoogeveen - Netherlands

# Achievements

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

### Evolution since 2006

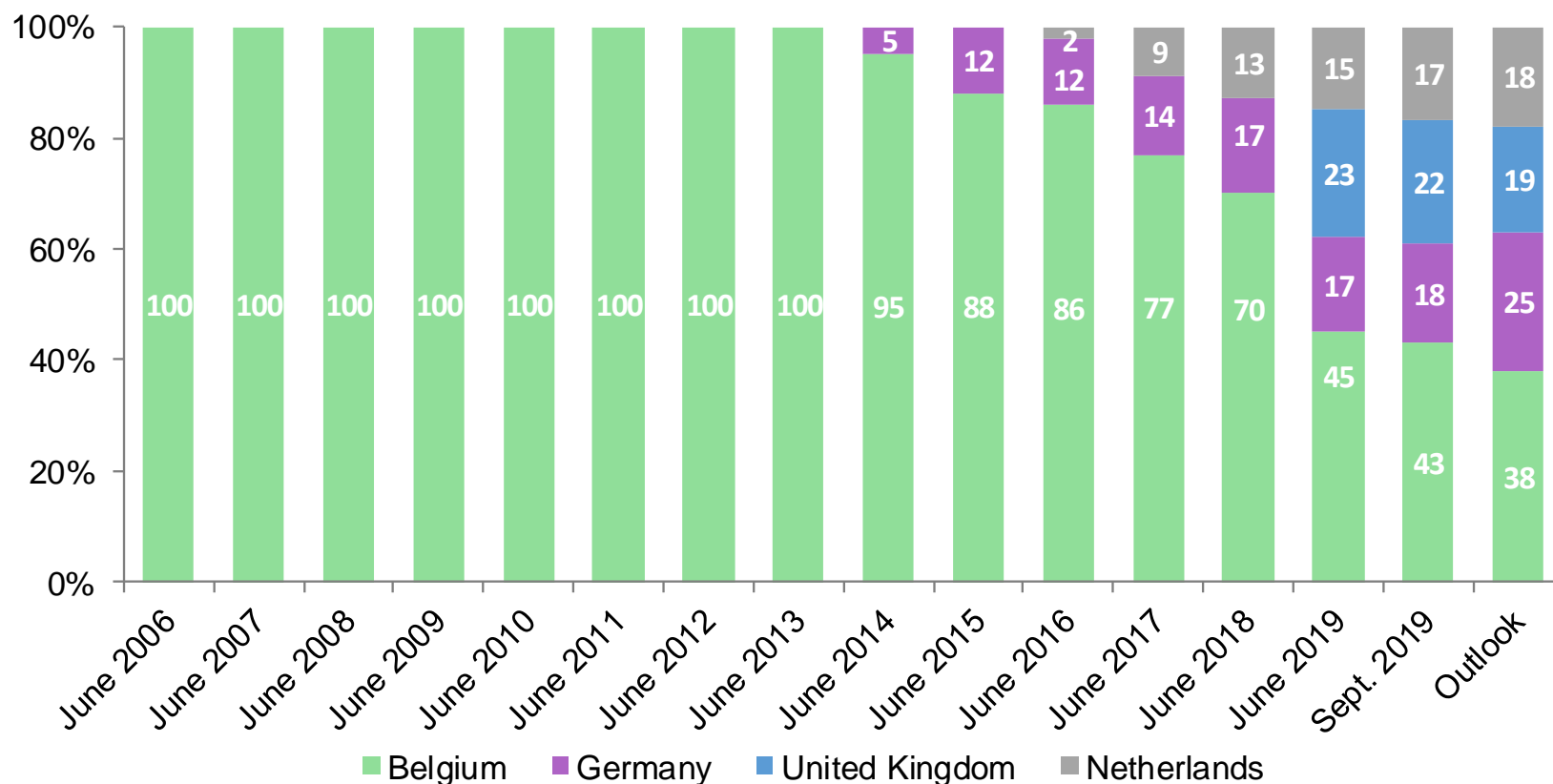


<sup>1</sup> Incl. assets classified as held for sale.

# Achievements

## Focus on Europe

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



<sup>1</sup> Marketable investment properties incl. assets classified as held for sale (€2,411 m).



# Portfolio analysis



King's Manor  
Ottery St. Mary - United Kingdom



## > Focus on senior housing

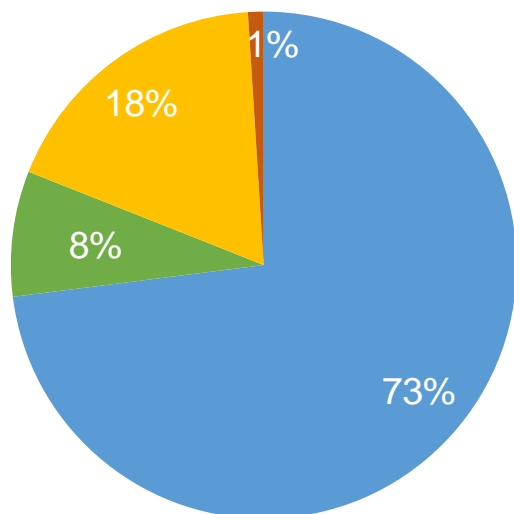
- Healthcare buildings for care-dependent seniors: care homes
  - Belgium: Woonzorgcentrum / Maison de repos
  - Germany: Pflegeheim
  - The Netherlands: Verpleeghuis, Zorgresidentie, ...
  - United Kingdom: Care homes
- Healthcare buildings for independent seniors with on-demand services: seniors apartments
  - Belgium: Assistentiewoning / Résidence-services
  - Germany: Betreutes Wohnen
  - The Netherlands: Seniorenappartementen

## > Exploring other healthcare segments

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

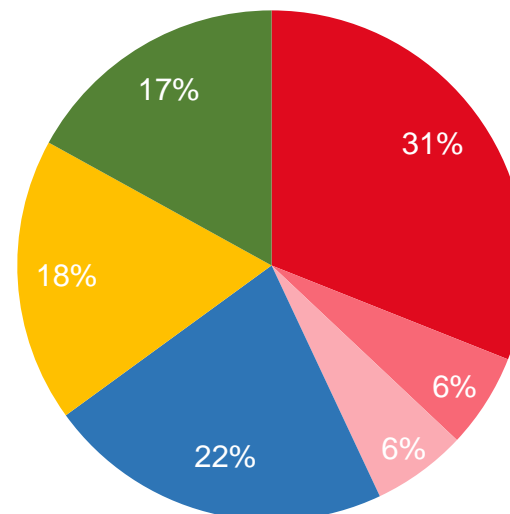
(As of 30 September 2019)

## Healthcare segment breakdown



- Healthcare buildings for care-dependent seniors
- Healthcare buildings for independent seniors with on-demand services
- Mixed-use healthcare buildings/seniors
- Healthcare buildings for other target groups than seniors

## Geographical breakdown



- Flanders
- Brussels
- Wallonia
- United Kingdom
- Germany
- Netherlands

Marketable investment properties incl. assets classified as held for sale (€2,411 m).

# Belgian healthcare portfolio

(As of 30 September 2019)

## > Senior housing portfolio of 79 assets:

- Capacity of more than 7,900 residents
- Total fair value of approx. €1,042 m
- Yield on fair value of 5.5%
- 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, Silver Care Homes, Bremdael, Pierre Invest and Le Carrosse
- Portfolio outlook as of 13 November 2019: approx. €1,080 m

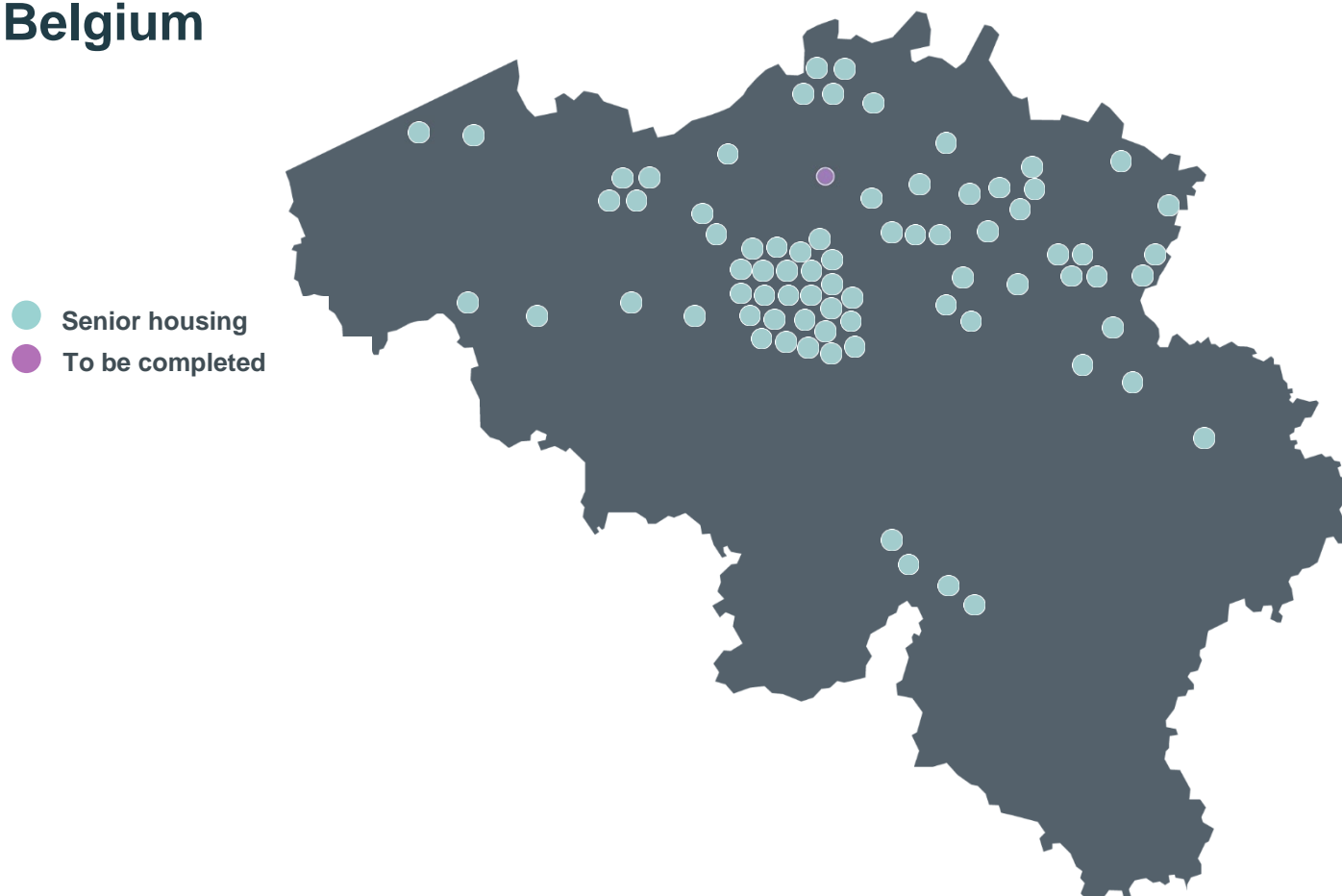
## > Belgium:

- 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 30 September 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 30 September 2019)

## > Senior housing portfolio of 53 assets:

- Capacity of more than 4,200 residents
- Total fair value of approx. €435 m
- Yield on fair value of 5.9%
- Double net long leases
- Typical lease maturity: 20 - 25 years
- 16 tenant groups: Vitanas, Residenz Management, Orpea, Alloheim, Argentum, Azurit Group, EMVIA, Convivo, Schloss Bensberg Management, SARA, Cosiq, DPUW (Colisée), advita, Deutsches Rotes Kreuz, Seniorenresidenz Laurentiusplatz and Volkssolidarität
- Co-operation agreement with Specht Gruppe for the construction of 17 care campuses (€245 m), of which 2 have been completed and 5 are under construction
- Portfolio outlook as of 13 November 2019: approx. €760 m

## > Germany:

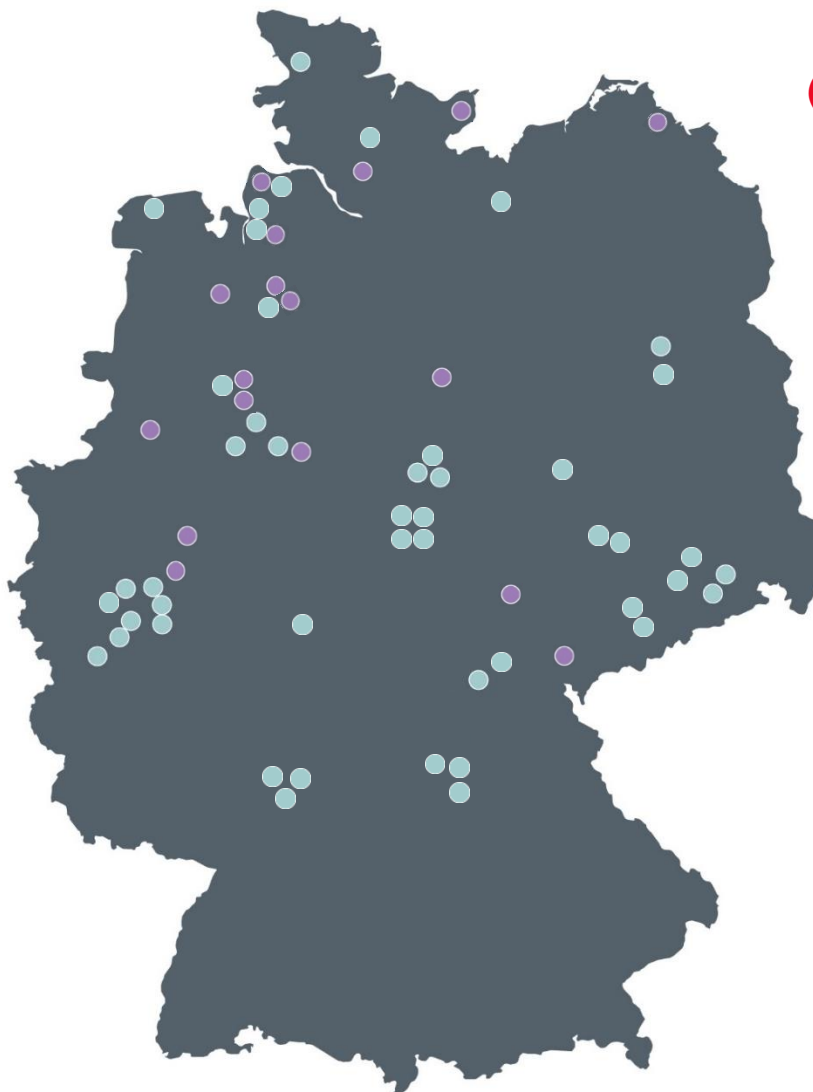
- Growth potential due to ageing of German population
- Senior housing market consolidation has kicked in
- Yield compression

# German healthcare portfolio

(As of 30 September 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 30 September 2019)

## > Senior housing portfolio of 52 assets:

- Capacity of more than 2,100 residents
- Total fair value of approx. €401 m
- Yield on fair value of 5.7 %
- Mostly triple net long leases
- Typical lease maturity: 15 - 20 years
- 13 tenant groups: Stichting Vitalis, Ontzorgd Wonen Groep, Compartijn, Martha Flora, Domus Magnus, Stepping Stones Home & Care (Korian), Het Gouden Hart, Stichting Zorggroep Noorderboog, Stichting Leger des Heils, Stichting Oosterlengte, Wonen bij September (Orpea), Omega and NNCZ
- 13 projects to be completed (€96 m)
- Portfolio outlook as of 13 November 2019: approx. €497 m

## > The Netherlands:

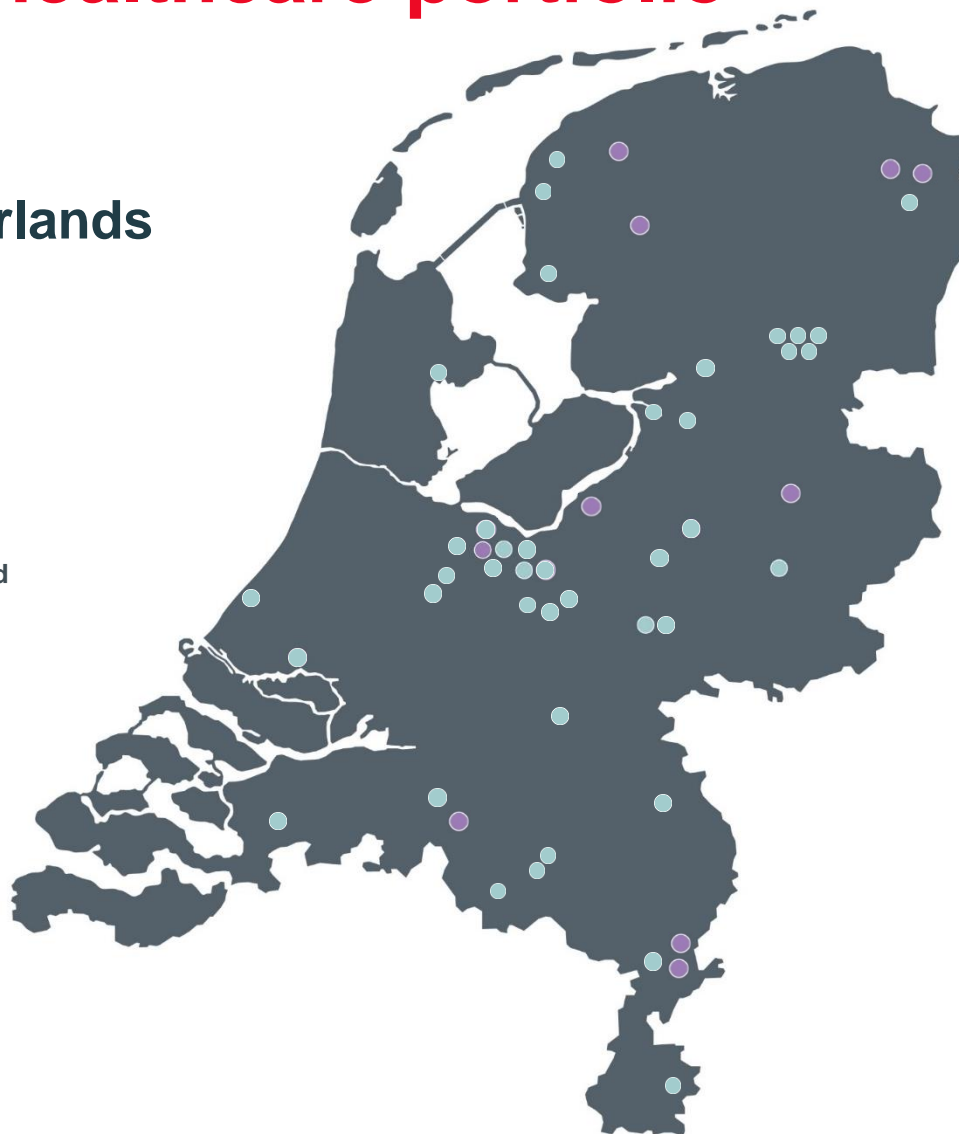
- Healthcare real estate market becoming more competitive and liquid
- Senior housing operators: consolidation and internationalisation of profit operators kicking in
- Yield compression

# Dutch healthcare portfolio

(As of 30 September 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 30 September 2019)

## > Senior housing portfolio of 90 assets:

- Capacity of more than 5,700 residents
- Total fair value of approx. €534 m
- Yield on fair value of 6.9 %
- 14 tenant groups: Maria Mallaband Care Group, Burlington Care, Care UK, Bondcare, Renaissance Care, Four Seasons Health Care, Lifeways, Brighterkind, Caring Homes Group, Harbour Healthcare, Majesticare, Select Healthcare Group, Priory Group and Conniston Care
- Inflation linked triple net leases
- Opportunities for further development (incl. yielding capex)
- Experienced portfolio management platform: Layland Walker
- Portfolio outlook as of 13 November 2019: approx. €546 m

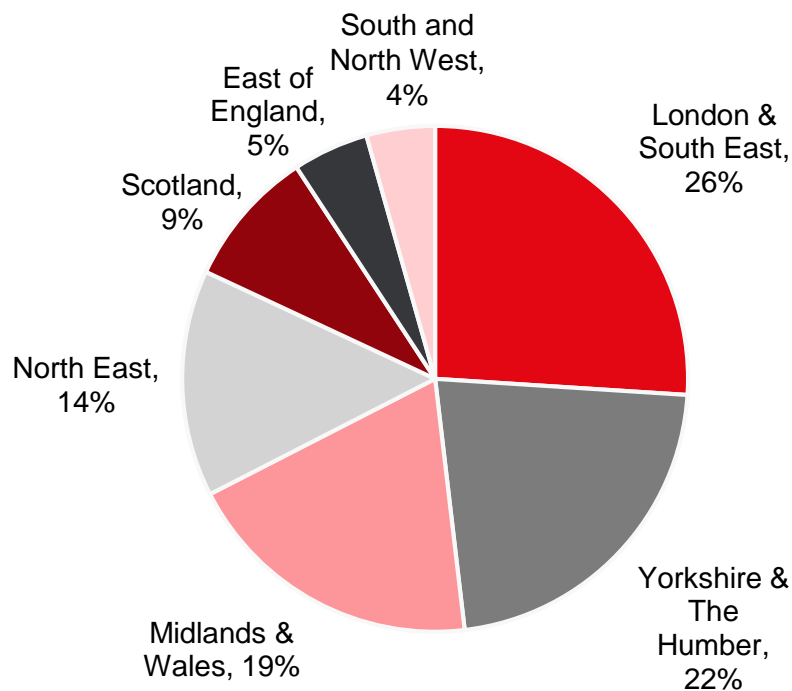
## > United Kingdom:

- 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

## Key performance indicators

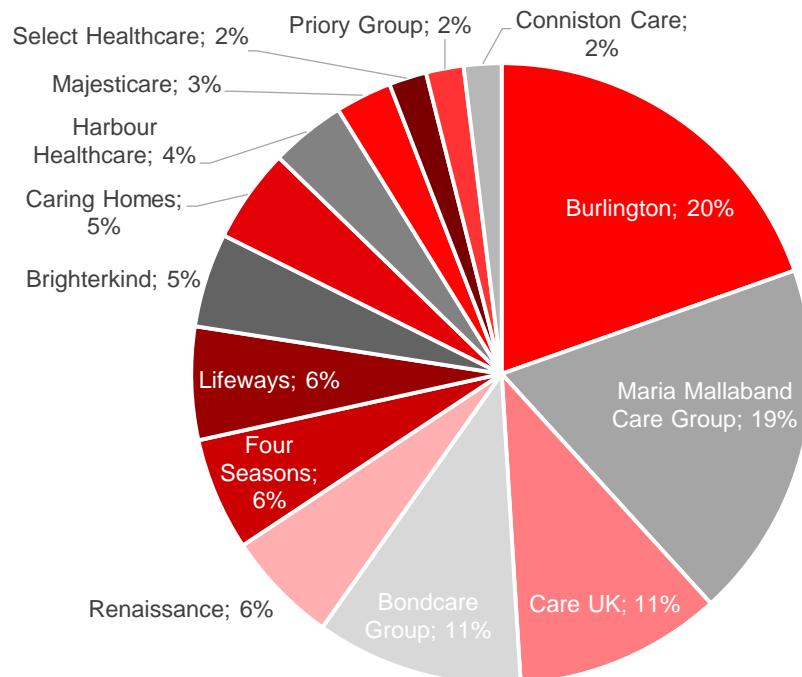
### > Good geographical diversification<sup>1</sup>



<sup>1</sup> Based on contractual rent as of 30 June 2019

### > Good tenant diversification

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

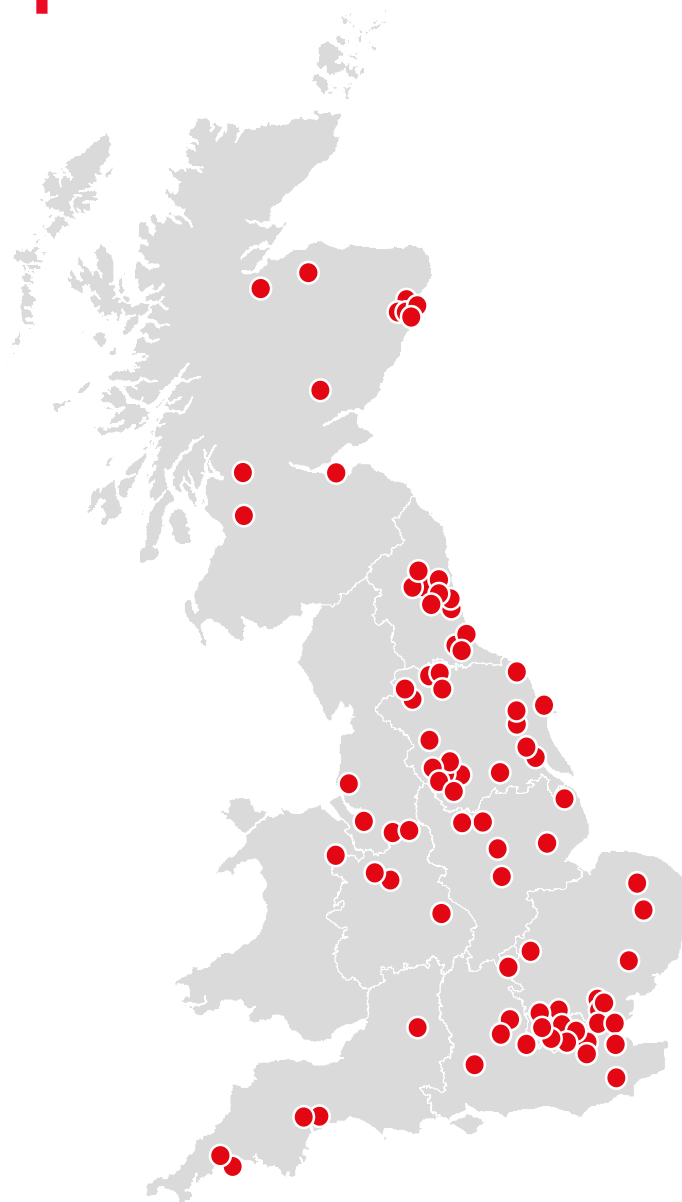


# UK healthcare portfolio

(As of 30 September 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

- > 274 sites with >130 tenants (or >55 '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

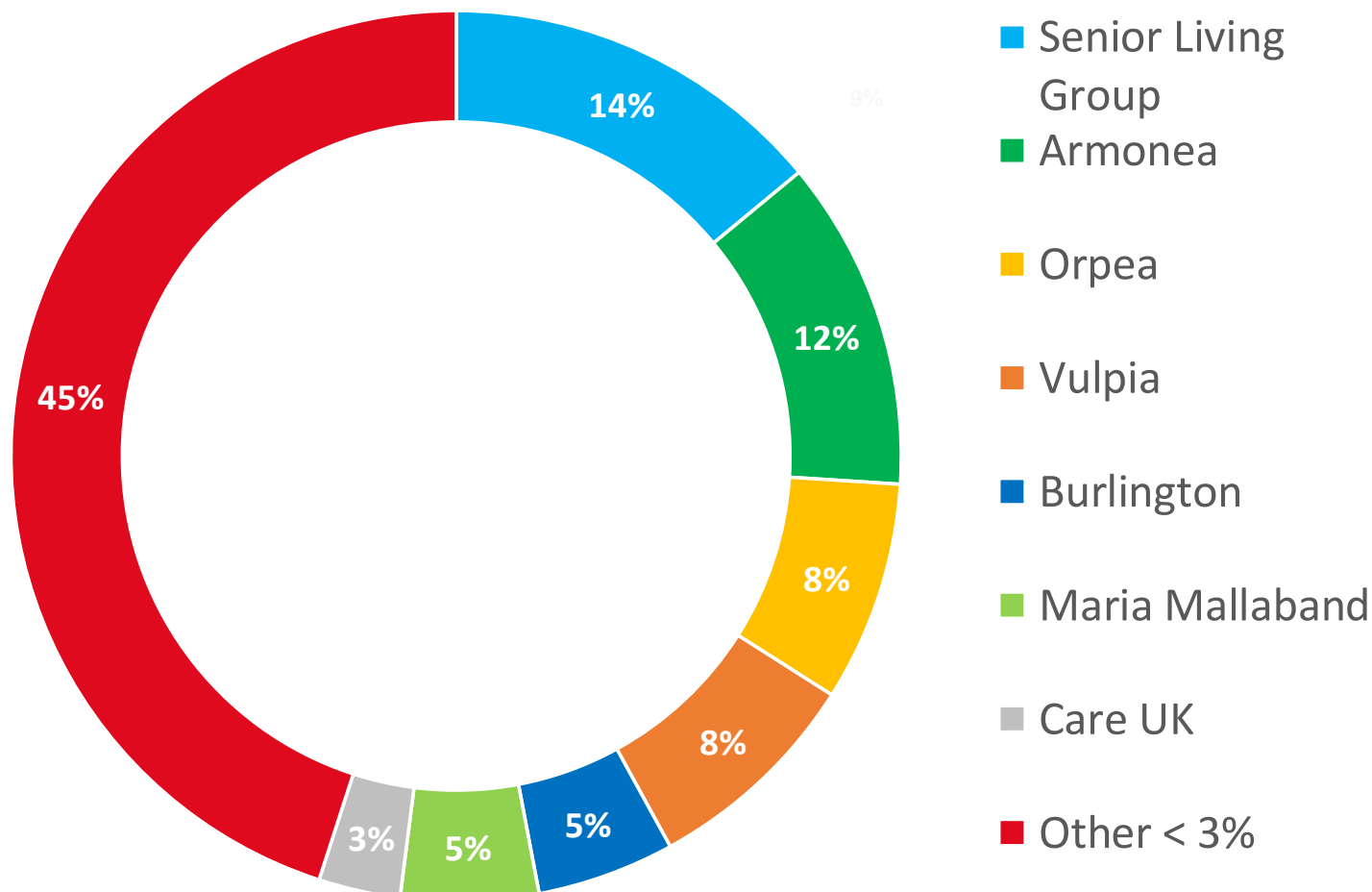


<sup>1</sup> As of 30 September 2019.

# Healthcare real estate tenants

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

(As of 30 June 2019)

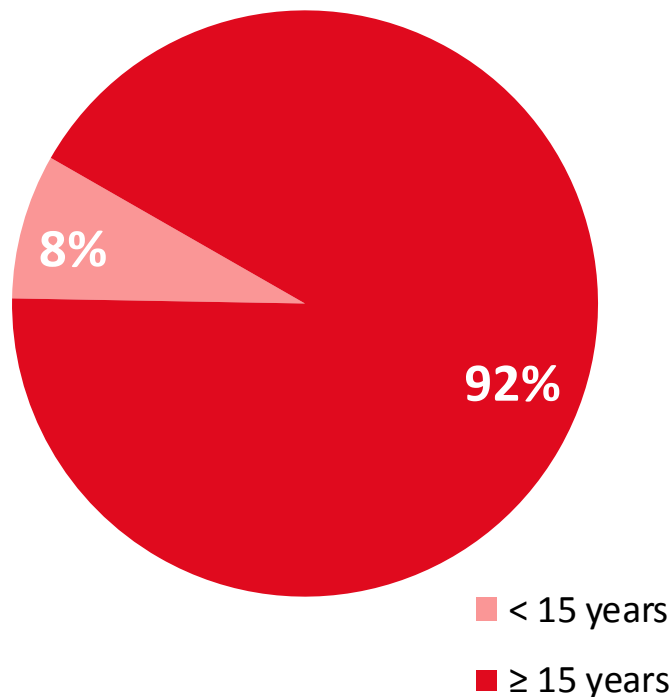


<sup>1</sup> Based on the contractual rents.

# Lease maturity & occupancy rate

(As of 30 September 2019)

## Unexpired lease term



## Weighted average unexpired lease term

**21 years**

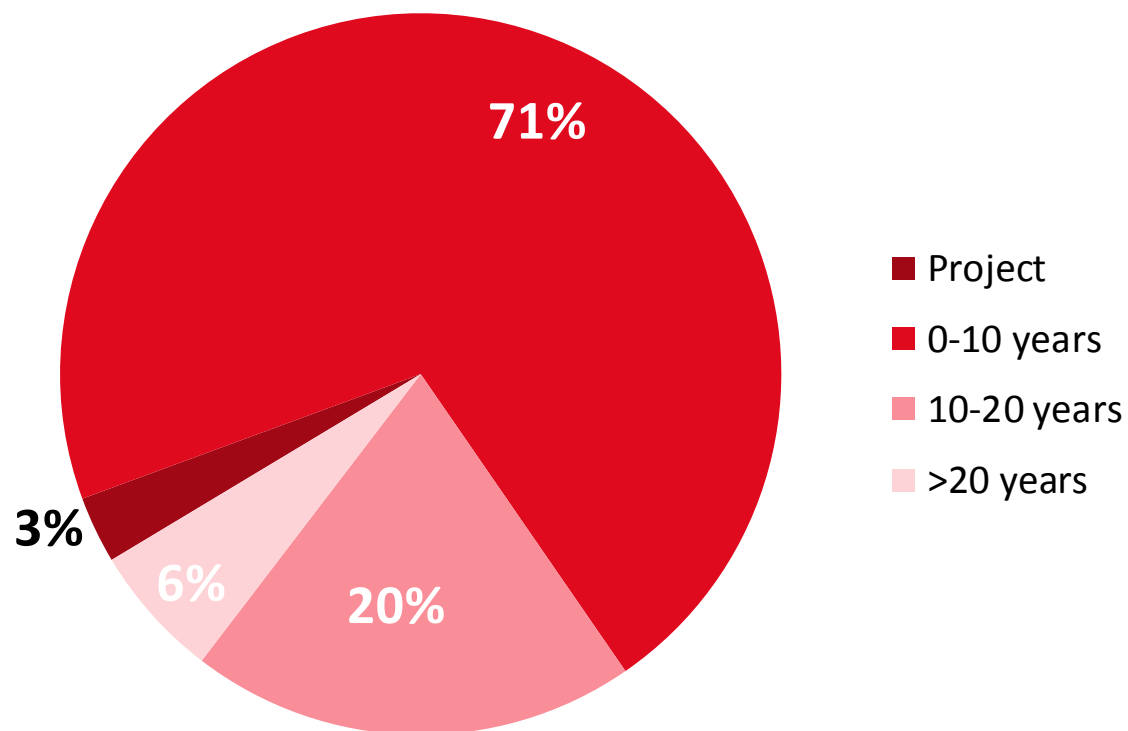
## Occupancy rate

**100 %**

Marketable investment properties incl. assets classified as held for sale (€2,411 m).

# Age of buildings

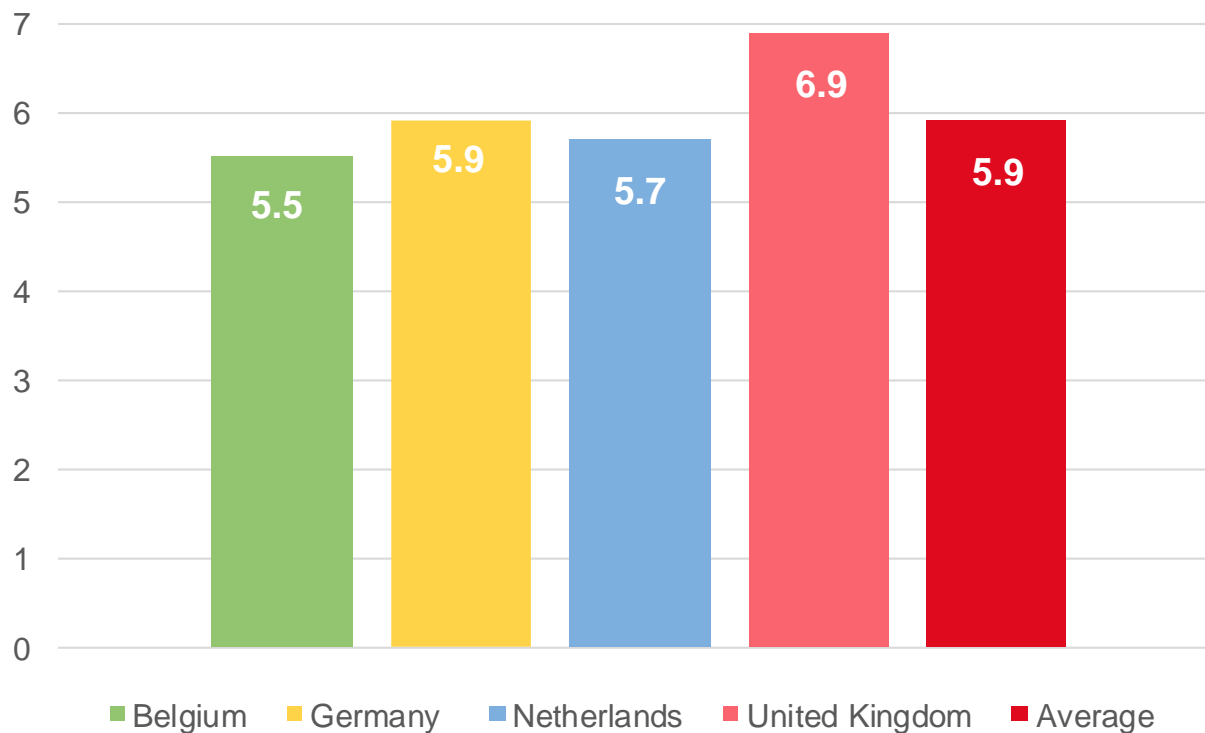
(As of 30 September 2019)



Marketable investment properties incl. assets classified as held for sale (€2,411 m).

# Gross yields on fair value

(As of 30 September 2019)



# Portfolio growth

Development projects as of 30 September 2019 (1)

Projects and renovations (in € million) <sup>1</sup>		Operator	Investment	Inv. as of 30/09/2019	Future inv.	Comment
Projects in progress			207	49	158	
Completion 2019/2020			93	39	54	
BE	Plantijn III	Armonea	1	0	0	Extension and renovation of a care home
BE	t Hoge III	SLG	2	2	1	Extension of a care home
BE	De Duinpieper	Dorian groep	3	2	1	Extension and renovation of a care home
BE	Kasteelhof	SLG	3	0	3	Extension of a care home
BE	SLG - energy saving project	SLG	2	0	2	Energy saving project
DE	Laurentiusplatz	Seniorenresidenz Laurentiusplatz	1	0	1	Renovation of a care home
DE	Kaltenkirchen <sup>3</sup>	EMVIA	15	10	5	Construction of a care campus
DE	Residenz Zehlendorf	EMVIA	6	5	1	Renovation of a care home
DE	Beverstedt <sup>3</sup>	EMVIA	10	3	7	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	11	2	Construction of a care residence
NL	De Merenhoef	Stichting Leger des Heils Welzijns- en Gezondheidszorg	1	0	1	Extension and renovation of a care home
NL	De Statenhof	Ontzorgd Wonen Groep	2	0	2	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	0	4	Construction of a care home
NL	Het Gouden Hart Harderwijk <sup>2</sup>	Het Gouden Hart	7	2	4	Construction of a senior housing site
NL	Residentie La Tour <sup>2</sup>	Ontzorgd Wonen Groep	6	0	6	Redevelopment of a senior housing site
NL	Villa Casimir <sup>2</sup>	Ontzorgd Wonen Groep	2	0	2	Redevelopment of a care residence
UK	MMCG - renovation projects	MMCG	1	0	1	Renovation of care homes
UK	Burlington projects	Burlington	4	0	4	Extension of care homes
UK	MMCG - extension projects	MMCG	8	0	8	Extension of care homes



# Portfolio growth

Development projects as of 30 September 2019 (2)

Projects and renovations (in € million) <sup>1</sup>		Operator	Investment	Inv. as of 30/09/2019	Future inv.	Comment
Projects in progress			207	49	158	
Completion 2019/2020			93	39	54	
Completion 2020/2021			113	9	104	
BE	Résidence Aux Deux Parcs	SLG	3	1	2	Extension of a rest home
BE	Residentie 't Spelthof	Vulpia	6	0	5	Extension of a rest home
NL	Nieuw Heerenhage <sup>2</sup>	Stichting Rendant	20	3	18	Construction of a senior housing site
NL	Residentie Sibelius	Ontzorgd Wonen Groep	9	0	9	Renovation of a senior housing site
NL	Stepping Stones Zwolle <sup>2</sup>	Stepping Stones	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
DE	Pflegecampus Plauen <sup>2</sup>	Aspida	11	1	10	Construction of a rest home
DE	Espelkamp <sup>3</sup>	EMVIA	15	1	14	Construction of a care campus
DE	Heiligenhafen <sup>3</sup>	EMVIA	13	1	12	Construction of a care campus
DE	Wolfsburg <sup>3</sup>	EMVIA	28	2	26	Construction of a care campus
Land reserve			2	2	0	
BE	Terrain Bois de la Pierre	-	2	2	0	-
Acquisitions subject to outstanding conditions			18	0	18	
Completion 2019/2020			11	0	11	
DE	Seniorenheim Haus Wellengrund	Argentum	11	0	11	Redevelopment of a care home
Completion 2021/2022			7	0	7	
DE	Seniorenhaus Lessingstrasse	Seniorenhaus Lessingstrasse	7	0	7	Construction of a care home

\*

\* Plot of land acquired on 1/11/2019.

# Portfolio growth

Development projects as of 30 September 2019 (3)

Projects and renovations (in € million) <sup>1</sup>		Operator	Investment	Inv. as of 30/09/2019	Future inv.	Comment
Projects in progress			207	49	158	
Land reserve			2	2	0	
Acquisitions subject to outstanding conditions			18	0	18	
Projects subject to outstanding conditions			188	0	187	
Completion 2019/2020			16	0	16	
✓ DE	Azurit Weimar	Azurit	16	0	16	Acquisition of a new care home *
Completion 2020/2021			117	0	116	
BE	Uilenspiegel	SLG	2	0	2	Extension of a care home
BE	Sorgvliet	SLG	5	0	5	Extension of a care home
BE	Résidence de la Paix	Vulpia	20	0	20	Extension of a care home
BE	Rembertus	Armonea	2	0	2	Construction of a care home
NL	Rendant Aldlânstate	Stichting Rendant	12	0	12	Construction of a senior housing site
DE	Specht Gruppe (2020/2021)	EMVIA	76	0	76	Construction & acquisition of care campuses
Completion 2021/2022			54	0	54	
DE	Specht Gruppe (2021/2022)	EMVIA	54	0	54	Construction & acquisition of care campuses
TOTAL PIPELINE			414	51	363	
Changes in fair value			-	-	-	
Roundings			-	-	-	
On balance sheet				51		

<sup>1</sup> Amounts in GBP were converted into EUR based on the exchange rate of 30 September 2019 (1.129 £/€).

<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.

\* Acquisition completed on 1/10/2019.

# Portfolio growth

Development projects as of 30 September 2019 (4)

Country	Development projects (in € million)
Belgium	42
Germany	264
The Netherlands	96
United Kingdom	12
<b>Total</b>	<b>414</b>

Rent	Development projects <sup>1</sup> (in € million)	Rent (in € million)	Yield <sup>2</sup>
Triple net	149	9	5.7%
Double net	263	14	5.4%
Land reserve	2		
<b>Total</b>	<b>414</b>	<b>23</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	95	6
2020/2021	255	14
2021/2022	62	3
Land reserves	2	0
<b>Total</b>	<b>414</b>	<b>23</b>

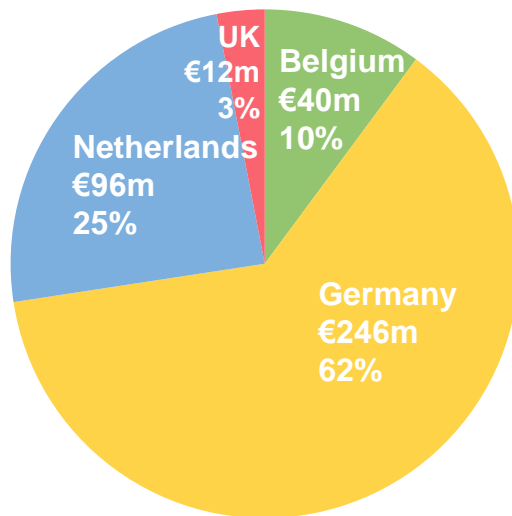
# Development projects

Pipeline: €414 million

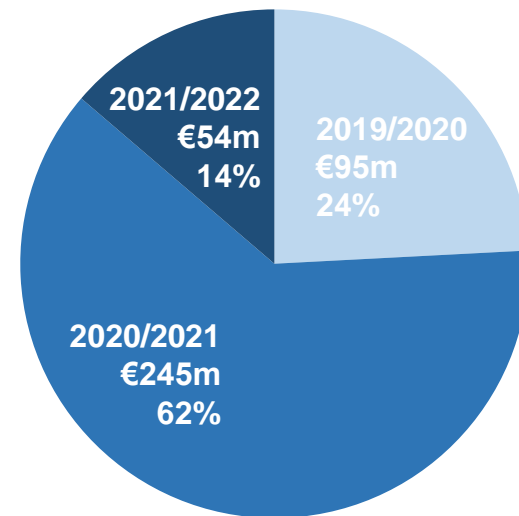
(As of 30 September 2019)

## > Projects: €394 million

Geographical split



Expected delivery date



## > IP, land reserves & others: €20 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  
Expected completion:  
2019/2020



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

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



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

Completed on:  
1/10/2019





# Financials

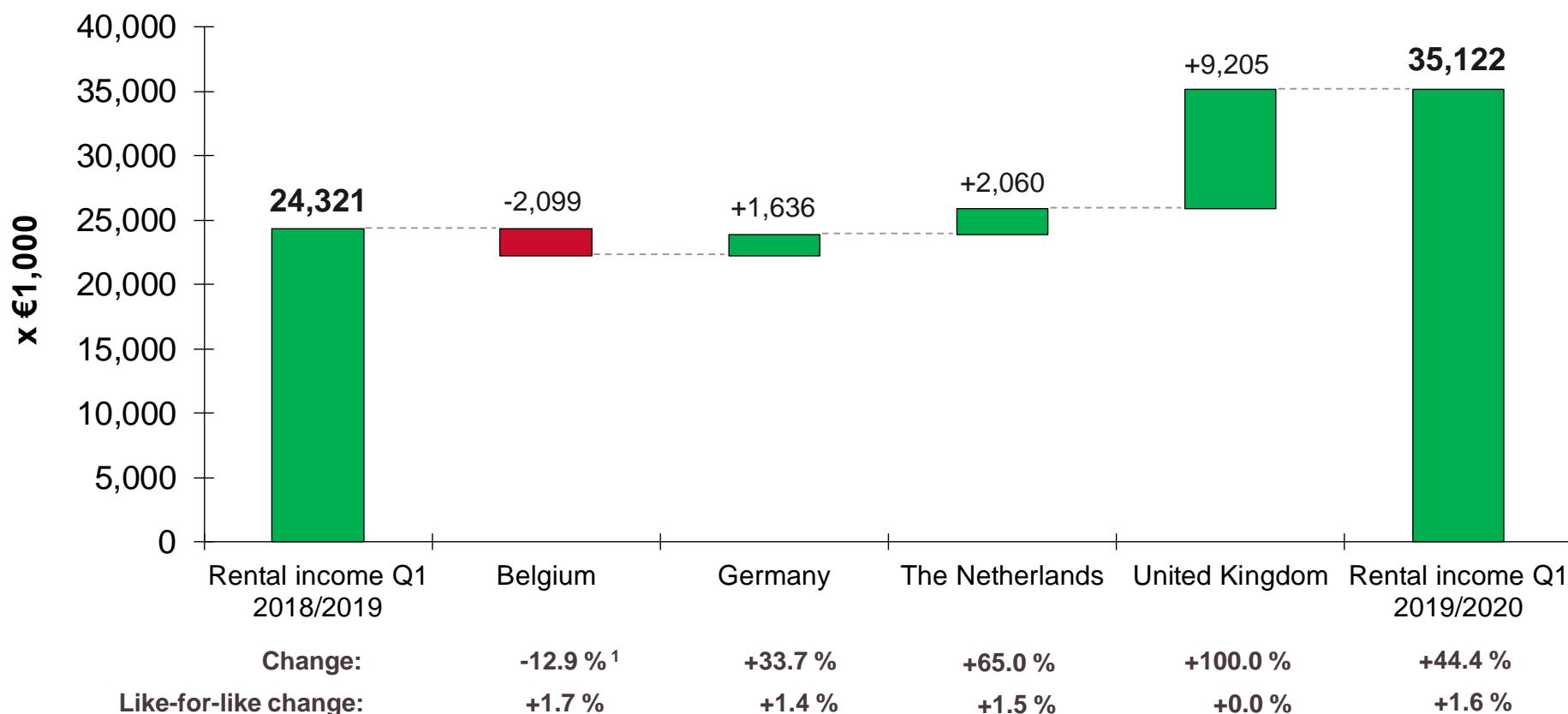


Martha Flora Rotterdam  
Rotterdam - Netherlands



# Rental income

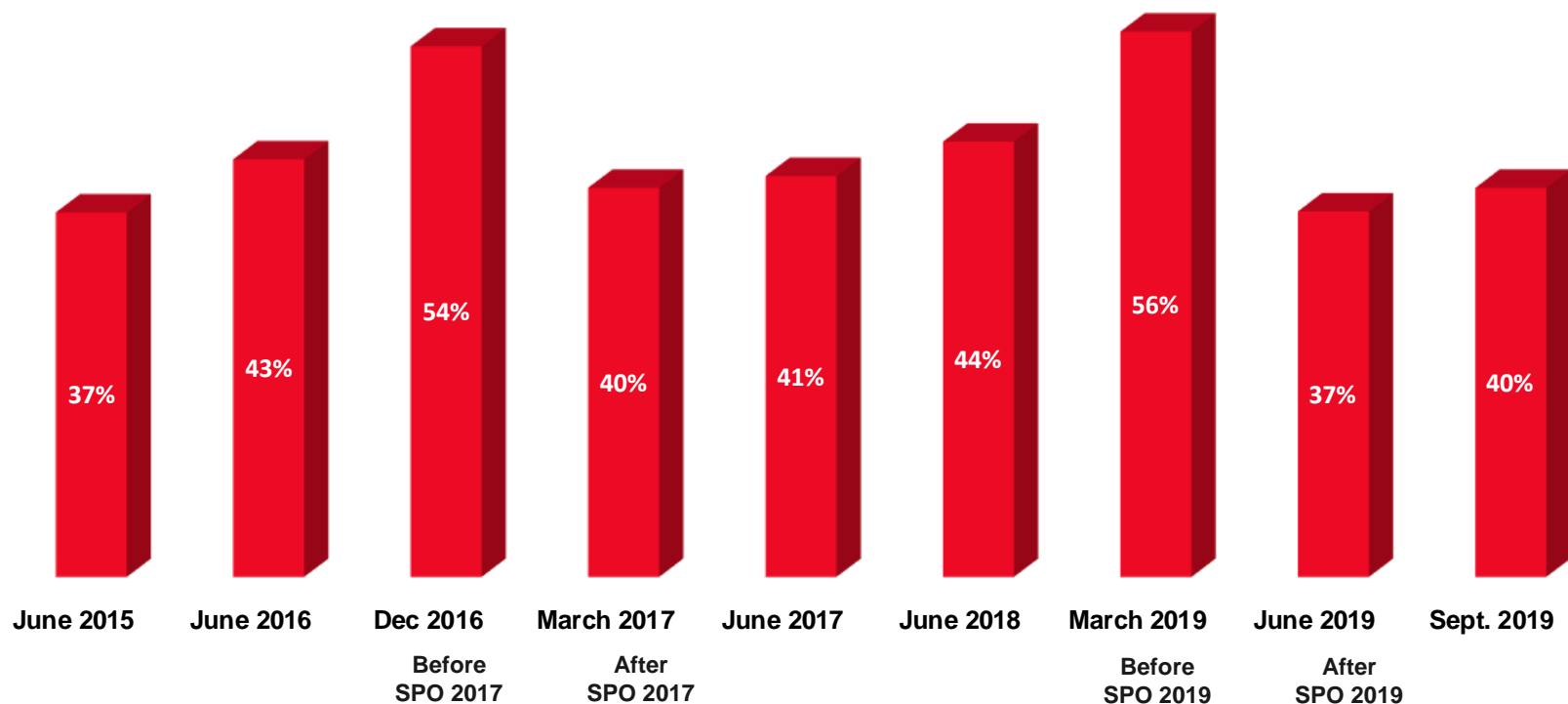
(As of 30 September 2019)



**44 % increase YoY**

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

# Debt-to-assets ratio



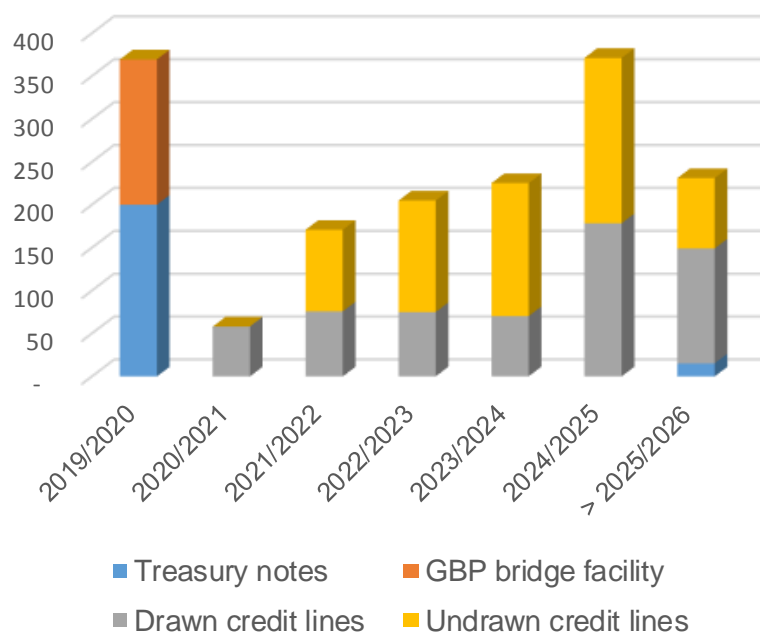
> **Investment capacity:** approx. €1.3 billion\*

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

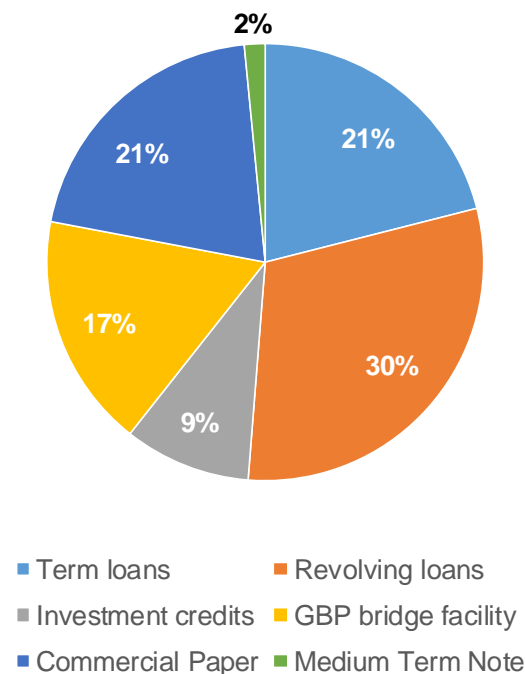
# Credit facilities

(As of 30 September 2019)

## > Debt maturity profile



## > Total financial debt: €976 m



> Average maturity: 4,8 years

> In October 2019, the GBP bridge facility was extended by 1 year

# Equity funding

## Capital increase May 2019

- > 5<sup>th</sup> SPO: rights issue
- > **89% take up** during subscription period
- > 11% rump placement: **oversubscribed** by institutional investors
- > Approx. **€418 million** capital increase
- > **Debt-to-assets ratio** down from 55.5 % (31/03/2019) to **38.5 %** after capital increase
- > 6,147,142 new Aedifica shares at €68.00

# Equity funding

## Latest SPOs (2010, 2012, 2015, 2017, 2019)

### > Reminder: gross proceeds

= €67 m (2010) + €100 m (2012) + €153 m (2015) + €219 m (2017) + €418 m (2019)  
= €957 m

### > Since SPOs, significant growth of investment properties:

- 30 June 2010:	€435 m		
- 30 June 2011:	€518 m	+ €171 m	
- 30 Sept. 2012:	€606 m		
- 30 June 2014:	€785 m	+ €399 m	
- 30 June 2015:	€1,005 m	+ €451 m	
- 31 Dec. 2016:	€1,457 m		
- 30 June 2017:	€1,545 m	+ €874 m	
- 31 Mar. 2019:	€2,331 m		
- 30 Sept. 2019:	€2,463 m	+ €132 m	
		+ €2,028 m	

# Net asset value

Net asset value per share (in €)	30 Sept. 2019	30 June 2019	Var.
<b>Based on fair value of investment properties</b>			
Net asset value	59.52	58.11	2%
Effect of the changes in fair value of hedging instruments	<u>2.29</u>	<u>2.05</u>	
<b>Net asset value excl. changes in fair value of hedging instruments</b>	<b>61.81</b>	<b>60.16</b>	<b>3%</b>

**Premium on 8 November 2019:**  
**88 % vs NAV at FV incl. IAS 39**  
**81 % 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

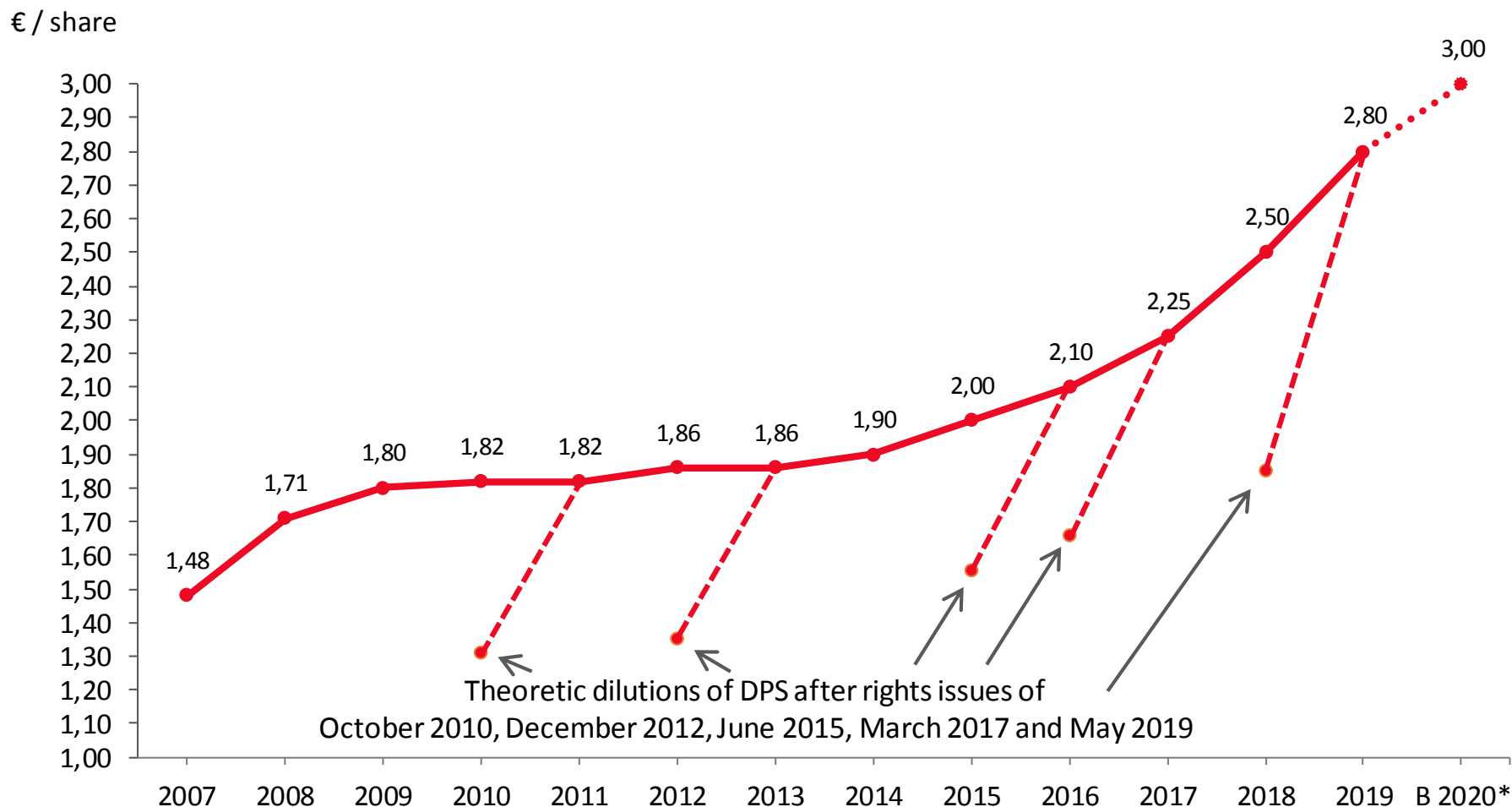
- > **DPS 2018/2019: €2.80 / share (gross)**
  - 12% higher than PY and in line with guidance
  - No dilution
  - Coupon No. 21 (€2.38) + coupon No. 22 (€0.42)
  - AGM approved on 22 October 2019
  - Statutory pay-out ratio: 85%
- > **DPS 2019/2020: €3.00 / share (gross)**
  - 7% higher than PY
- > **Withholding tax:**
  - General rule: 30 %
  - Reduced to 15 % for healthcare REITs

# Shares & shareholders



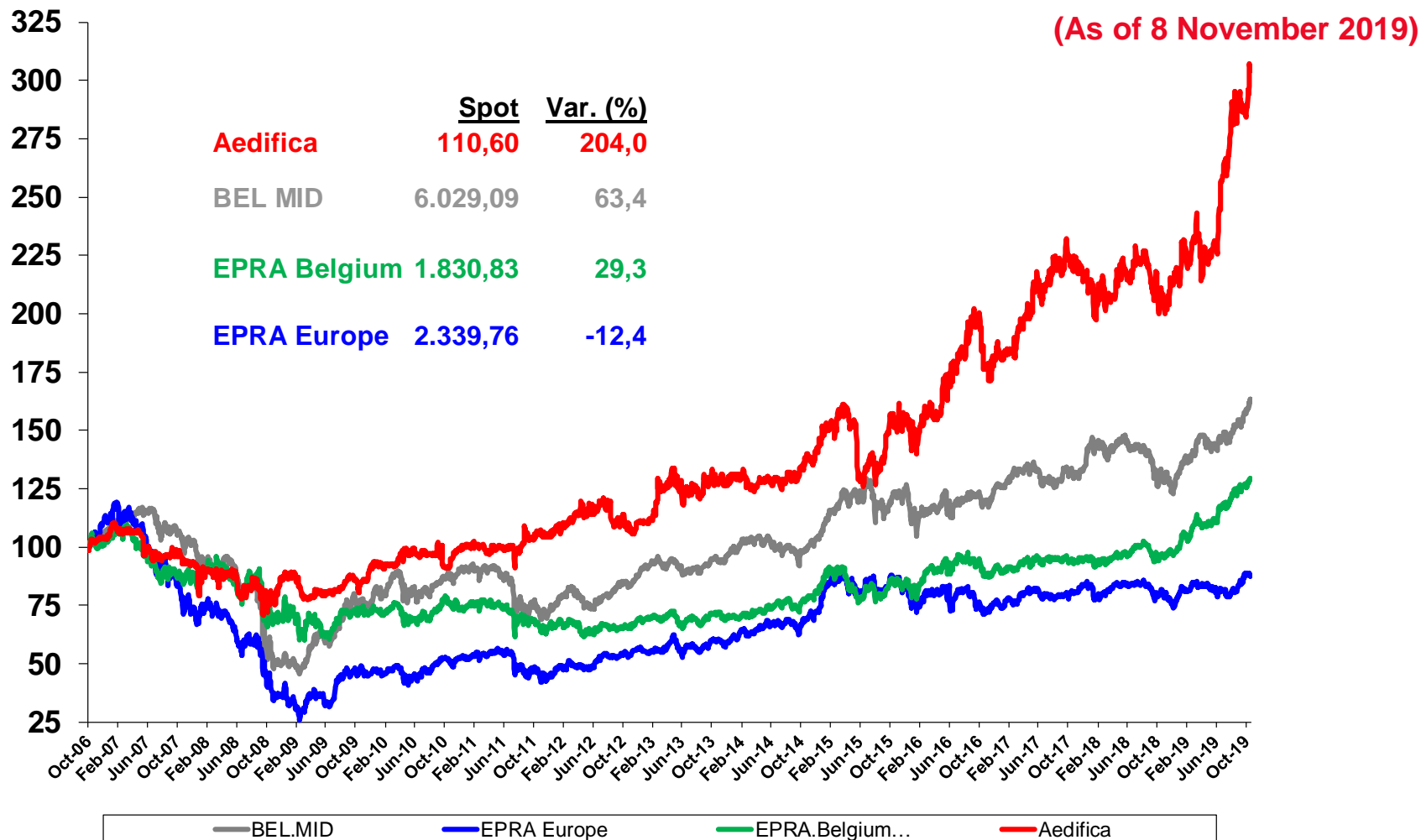
Villa Temporis  
Hasselt - Belgium

# Dividend track record



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

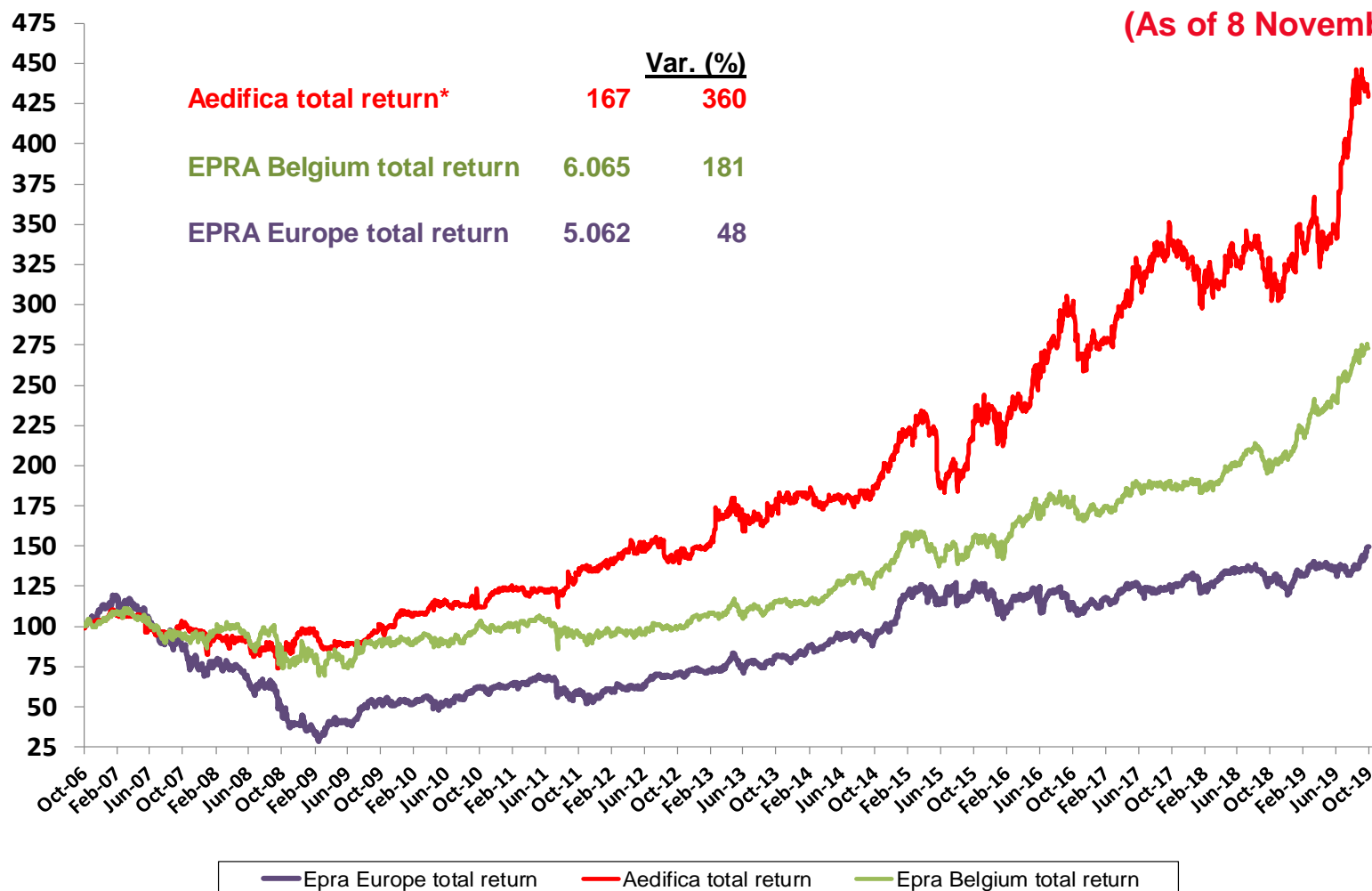
# Share price since IPO



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

(As of 8 November 2019)



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 8 November 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 (13 November 2019).

<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



## > 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

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

# Outlook FY 2019/2020

- > **After May 2019 capital increase and divestment of non-core segments:**
  - Low debt-to-assets ratio
  - Increased number of shares
- > **Focus on investments**
  - **New investments in healthcare real estate:**
    - New cash flow generating investments est. in B2020: €215 million
    - Development projects pipeline of €428 million
    - Targets being studied in the Netherlands, Germany, UK and Belgium
- > **Cautious assumptions on GBP due to Brexit**

<sup>1</sup> This outlook does not take into account the impact of the tender offer on the shares of Hoivatilat Plc.



# Outlook FY 2019/2020

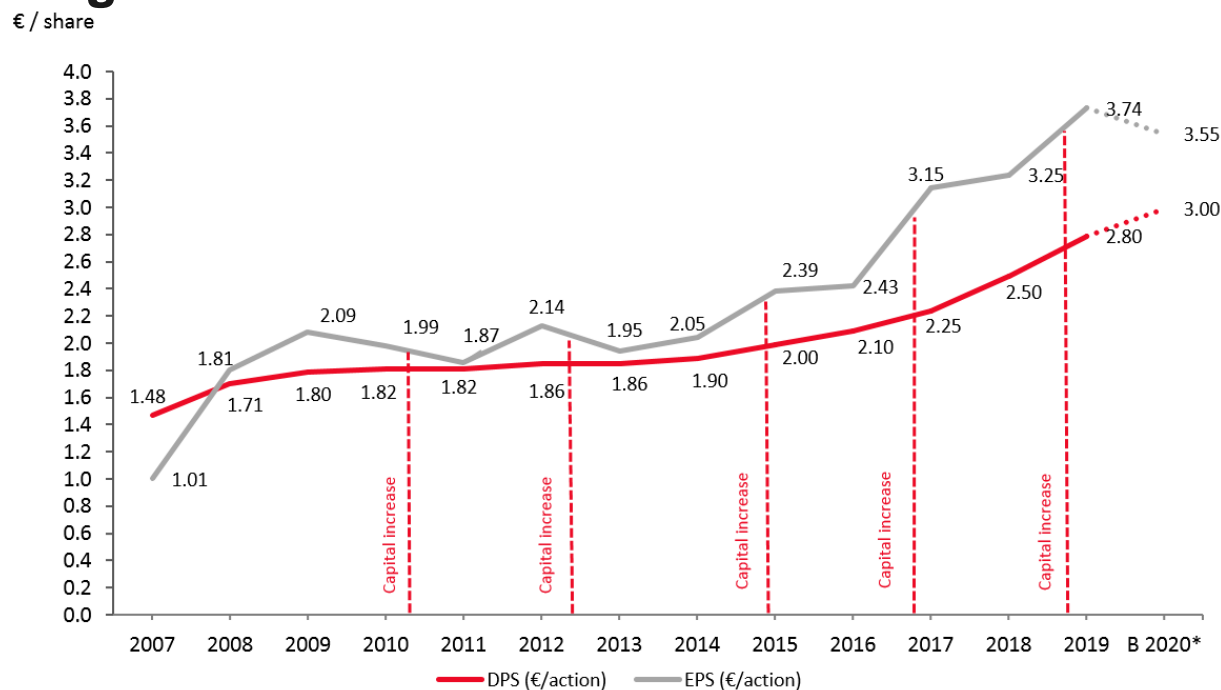
- > **Budgeted rental income: €144 m**
- > **Budgeted EPRA Earnings: €87 m**
- > **Budgeted investments: €535 m**
  - Pipeline: €260 m
  - Acquisitions since 1/07: €60 m
  - Hypothetical cash flow generating investment: €215 m
- > **Budgeted EPRA EPS: €3.55/share**
- > **Budgeted DPS: € 3.00/share (gross), 7% higher than PY**

# 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

- > **Cash tender offer** on Hoivatilat, a listed Finnish healthcare real estate development and investment company
- > **Supported** by the Board of Directors and the executive management of Hoivatilat
- > **Irrevocables** signed by 22.5% of Hoivatilat's shareholders
- > **The offer**
  - Price of **€14.75 per share**
  - For all **25,439,229 issued and outstanding shares<sup>1</sup>**
  - **Only cash consideration**
  - **Acceptance threshold at 90%** (can be waived by Aedifica)
- > **Premium of approx. 16%** compared to the closing price on 1 November 2019
- > Public offer implies an **enterprise value of approx. €577 million**

<sup>1</sup> An additional 63,400 shares will be issued to participants in Hoivatilat's existing long-term share-based incentive plan during the offer period, increasing the equity value of the offer to approx. €376 million

# Completed portfolio

## Map<sup>1</sup>

**127**

Properties

**29**

Tenants

**84%**

Contractual rent from most  
populated Finnish areas

**Segment focus**

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

**€22,5 million**

Contractual rent

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

WAULT of  
completed portfolio

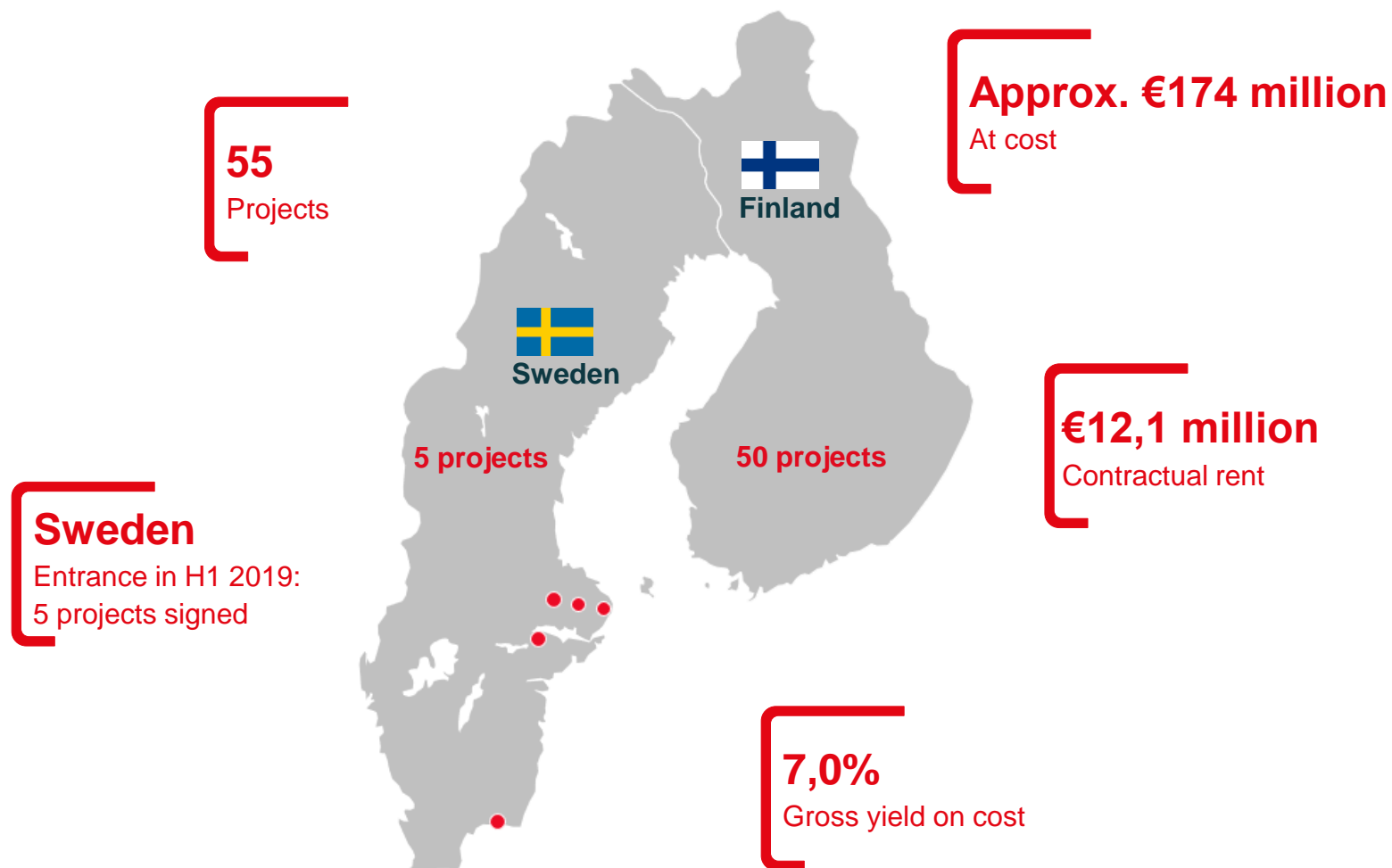


<sup>1</sup> Per 30/06/2019

<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**

# Aedifica going forward

## Debt-to-assets ratio and EPS

- > A 100% successful offer will result in an estimated increase of the **debt-to-assets ratio of approx. + 11% points**
- > **EPS/EPRA earnings impact**
  - Depending on debt and equity refinancing assumptions
  - Hoivatilat H1 2019 EPRA earnings of approx. €4.9 million
  - Estimate
    - Assumption of 100% of Hoivatilat shares on 01/01/2020
    - Assumption of 100% debt financing until end of book year 2019/2020
    - Assumption of cost of debt at marginal cost
    - Based on Hoivatilat's guidance
  - Estimate of positive EPS impact on H2 2019-2020 between €0.10 and €0.15

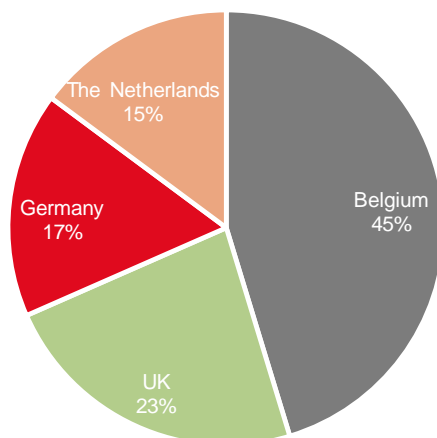
# Going forward

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

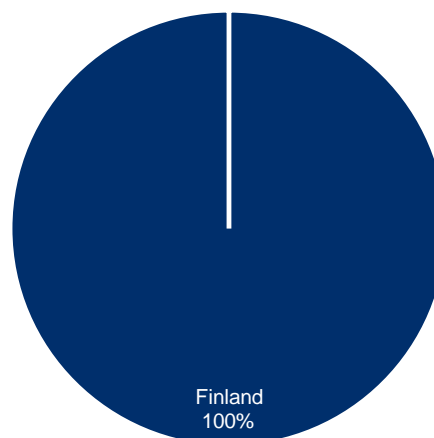
Aedifica

Hoivatilat

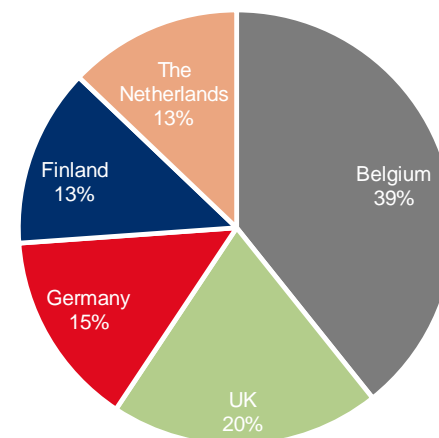
Combination



+



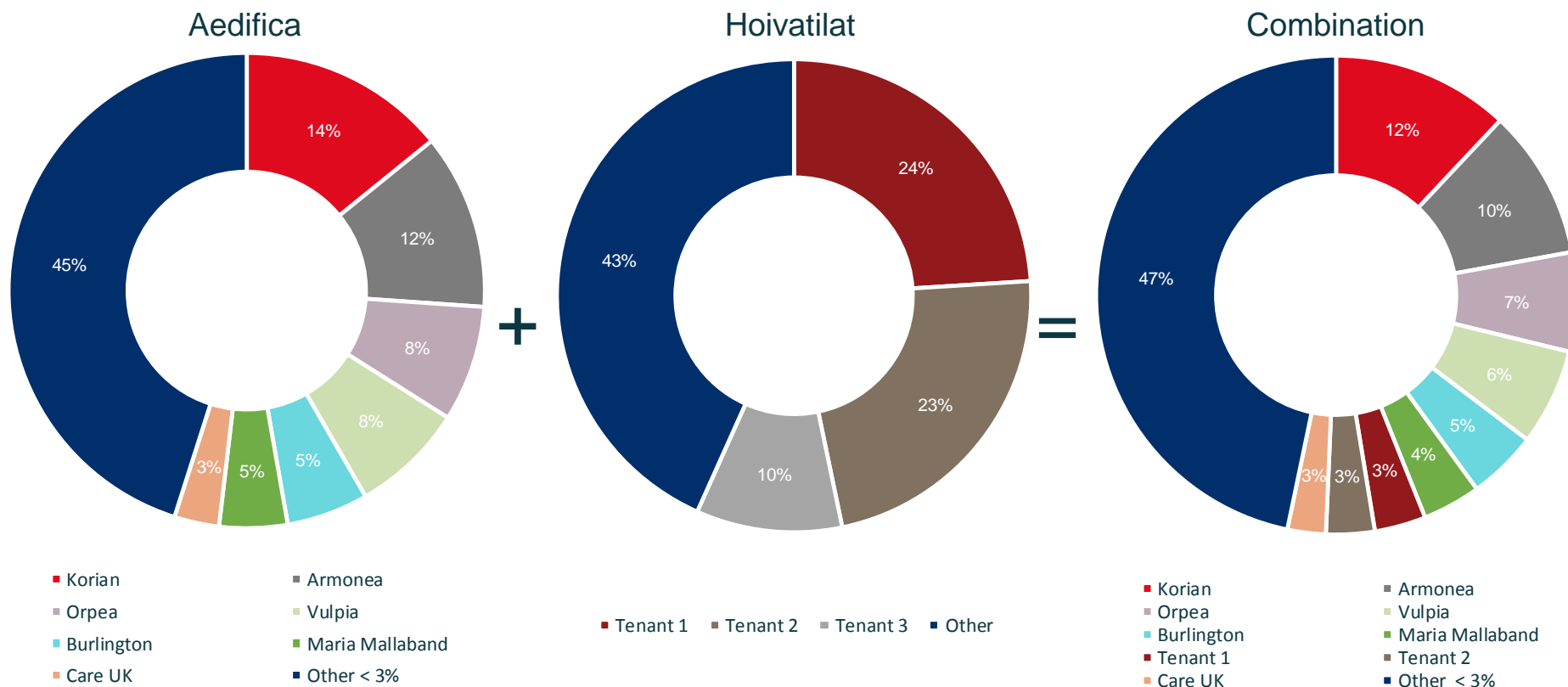
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<sup>1</sup> Measured by fair value of investment properties; per 30/06/2019

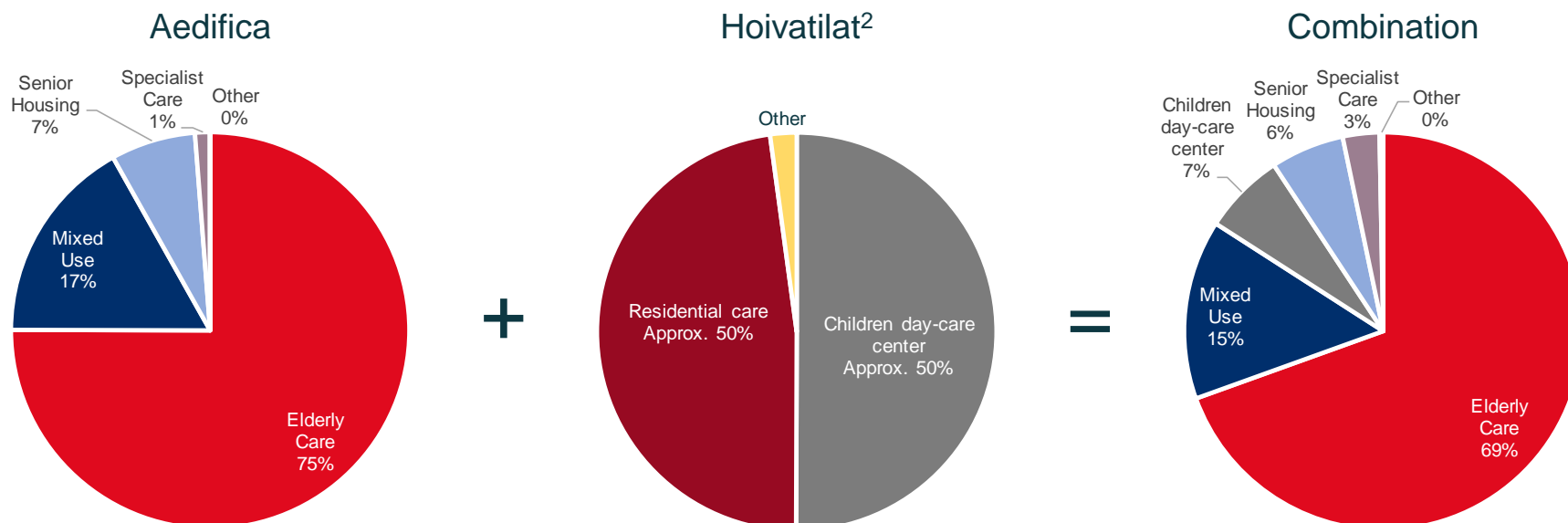
# Going forward

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



# Going forward

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

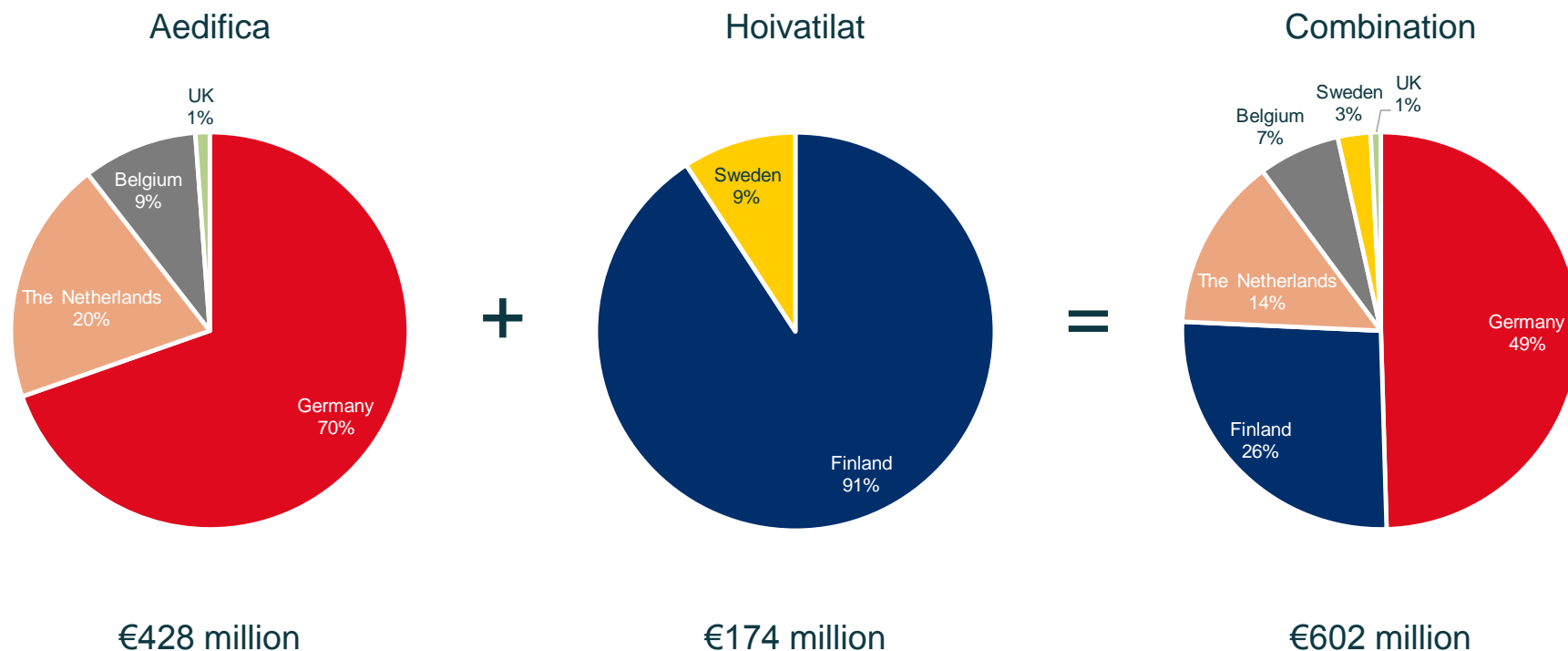


<sup>1</sup> Based on fair value of completed investment properties per 30/06/2019

<sup>2</sup> Breakdown of Hoivatilat is an estimate; residential care includes elderly care and specialist care

# Going forward

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



<sup>1</sup> Based on investment cost; per 30/06/2019

# 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)

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1040 Brussels

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[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

# Income Statement

## Business driven

Income Statement - analytical scheme (x €1,000)	30 June 2019	30 June 2018	Var.
Rental income	118,413	91,677	+29%
Rental-related charges	-41	-80	
Net rental income	118,372	91,597	+29%
Operating charges	-21,230	-14,322	
Operating result before result on portfolio	97,142	77,275	+26%
EBIT margin %	82%	84%	
Financial result excl. changes in fair value	-20,168	-15,319	
Corporate tax	-4,498	-3,553	
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of EPRA Earnings	282	0	
Non-controlling interests in respect of EPRA Earnings*	-613	0	
<b>EPRA Earnings (owners of the parent)</b>	<b>72,145</b>	<b>58,403</b>	<b>+24%</b>
Denominator (IAS 33)	19,274,471	17,990,607	
<b>EPRA Earnings (owner of the parent) per share (€/share)</b>	<b>3.74</b>	<b>3.25</b>	<b>15%</b>

**24 % increase in EPRA Earnings**



# Income Statement

## Market driven

Income Statement - analytical scheme (x €1,000)	30 June 2019	30 June 2018
EPRA Earnings	72,145	58,403
Changes in fair value of financial assets and liabilities	-7,304	-2,157
Changes in fair value of investment properties	63,317	15,018
Gains and losses on disposals of investment properties	7,321	789
Negative goodwill / goodwill impairment	0	-344
Deferred taxes in respect of EPRA adjustments	-6,216	146
Share in the profit or loss of associates and joint ventures accounted for using the equity method in respect of the above	853	0
Non-controlling interests in respect of the above	-6,618	0
Roundings	-1	0
<b>Profit (owners of the parent)</b>	<b>123,497</b>	<b>71,855</b>
Denominator (IAS 33)	19,274,471	17,990,607
<b>Earnings per share (owners of the parent - IAS 33 - €/share)</b>	<b>6.41</b>	<b>3.99</b>



# Hedging policy

(As of 30 June 2019)

## > Interest rate

- Economic **stability and foreseeability** of cashflows...  
}
- ... even in spite of accounting volatility  
}
- **Business driven:**  
Avg effective interest rate of 2%, below PY (2.2%)
- **Market driven:**  
Changes in FV of derivatives (non cash items):  
-€6,582 k in result (vs. -€1,343 k in PY)  
-€8,153 k in equity (vs. -€40 k in PY)
- **Hedging policy:**
  - hedges for  $\geq 60\%$  of floating rate debt
  - Current hedging ratio  $\pm 98\%$  for amounts in euro

## > Currency

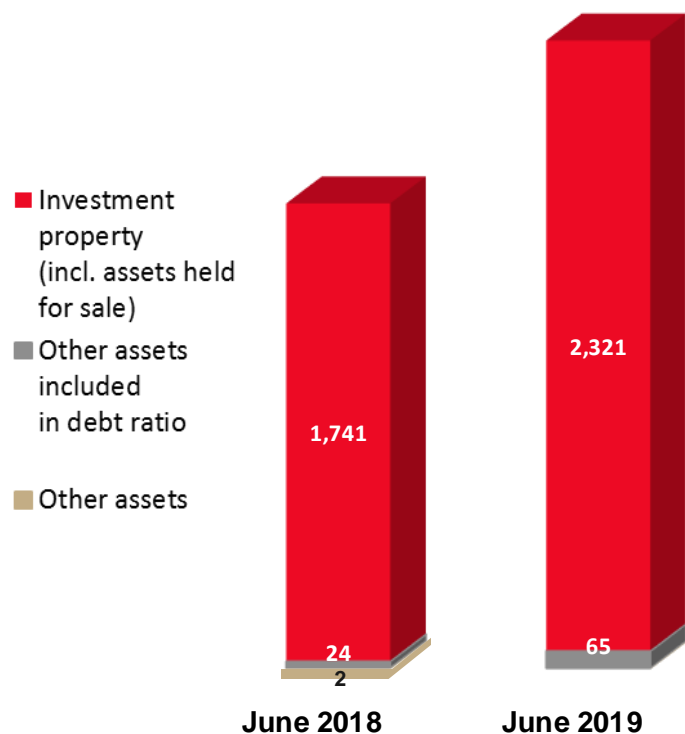
- Forward contracts to cover cash flows from UK entities

# Consolidated balance sheet (€ m)

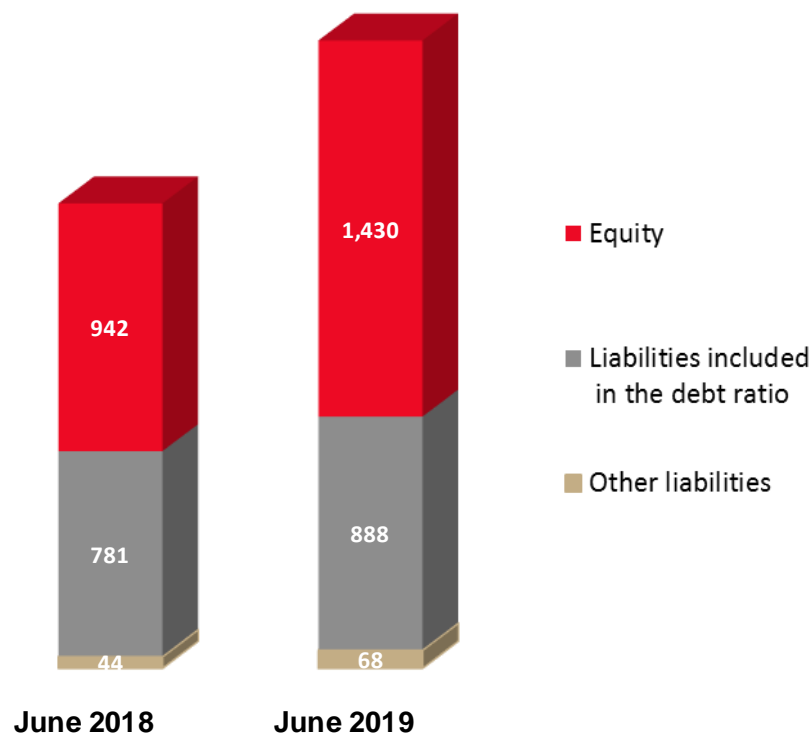
Balance sheet total: €2.39 billion

(As of 30 June 2019)

## Assets



## Equity & Liabilities



# 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 2019/2020 (1)

**9 July 2019**

Acquisition of a care home in Apeldoorn (NL)

- €10 m investment
- 80 units



Rumah Saya



Vinea Domini

**7 August 2019**

Acquisition and redevelopment of a healthcare site in Witmarsum (NL)

- €1 m invested
- €3 m to be invested
- 27 units



Residentie La Tour



Villa Casimir

**9 July 2019**

Acquisition and redevelopment of two healthcare sites in Roermond (NL)

- €4 m invested
- €8m to be invested
- 50 units



Seniorenquartier Schwerin

**15 August 2019**

Completion of the Seniorenquartier Schwerin care campus in Schwerin (DE)

- €12 m invested
- 87 units

# Investments in 2019/2020 (2)

**21 August 2019**

Acquisition of a care home in Wurzen (DE)

- €7 m investment
- 73 units



Seniorenhaus Lessingstrasse



Haus Wellengrund

**27 September 2019**

Acquisition of a care home in Stenwede (DE)

- €10 m investment
- 91 units



De Kaap



Krakeel



De Vecht



Wolfsbos



WZC Beatrix

**28 August 2019**

Acquisition of a portfolio of 5 healthcare sites in Hoozeveen (NL)

- €44 m investment
- 340 units



# Investments in 2019/2020 (3)

**6 November 2019**

Acquisition of a care home in Sulzbach-Rosenberg (DE)

- €6 m investment
- 90 units



BAVARIA Senioren- und Pflegeheim



Quartier am Rathausmarkt



Johanniter-Haus  
Lüdenscheid



Sonnenhaus  
Ramsloh

**12 November 2019**

Acquisition of two operational care homes and a healthcare site to be constructed (DE)

- €35 m investment
- 234 units



Wohnstift am Weinberg

**29 October 2019**

Acquisition of a healthcare site in Kassel (DE)

- €20 m investment
- 144 units

# Notes