

16 November 2016 – After closing of markets
Under embargo until 17:40 CET

AEDIFICA

Public limited liability company
Public regulated real estate company under Belgian law
Registered office: avenue Louise 331-333, 1050 Brussels
Enterprise number: 0877.248.501 (RLE Brussels)
(the “Company”)

Interim statement of the Board of Directors 1st quarter 2016/2017

- 17 additions to the portfolio and completion of 2 projects in the senior housing segment during the 1st quarter
- Real estate portfolio of €1.4 billion as of 30 September 2016
- Senior housing now represents 79 % of the portfolio, totaling €1,109 million and spread across three countries:
 - €819 million in Belgium (70 sites)
 - €192 million in Germany (20 sites)
 - €98 million in The Netherlands (7 sites)
- 52.5 % debt-to-assets ratio as of 30 September 2016
- 22 % increase in rental income as compared to 30 September 2015
- For the 2nd consecutive year, Aedifica received the “EPRA Gold Award” in September 2016 for its (financial year 2014/2015) Annual Financial Report



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1. Summary of the activities since 1 July 2016

Aedifica's investment strategy is mainly built on the strength of the demographic trend toward population ageing in Europe.

The quarter under review was marked by a series of almost 20 additions to the portfolio, exclusively in the senior housing segment. Nine sites (rest homes in the Provinces of Antwerp, Limburg and Flemish Brabant) entered into the Group's Belgian portfolio. The German portfolio expanded too, with the acquisition of five new sites (rest homes in the States of Bavaria, Saxony-Anhalt and Berlin). Moreover, the Dutch portfolio also expanded, with the acquisition of three new sites (senior housing sites in the Provinces of Limburg and North Brabant). In addition, the first quarter has seen the completion of extension projects on the Villa Temporis and Au Bon Vieux Temps senior housing sites in Hasselt (Province of Limburg, Belgium) and in Mont-Saint-Guibert (Province of Walloon Brabant, Belgium), respectively.

During the first quarter of 2016/2017, the fair value of marketable investment properties increased by nearly €266 million (i.e. +23 %), reaching €1,397 million by 30 September 2016 (€1,131 million at the beginning of the period).

In addition to its investment activities, Aedifica strives for optimal management of its real estate portfolio. The Company's portfolio consists of:

- senior housing, which represents the most significant segment in terms of value (79 % of the fair value of marketable investment properties) and rental income (78 %);
- apartment buildings (16 % of the fair value of marketable investment properties); and
- hotels (5 % of the fair value of the marketable investment properties).

This portfolio provides for excellent rental incomes, which amount to €17.4 million for the quarter ended 30 September 2016 (€14.2 million one year earlier).

At the end of the first quarter, Aedifica is ahead of the quarterly budget (both in terms of rental income and in terms of profit excluding changes in fair value) as derived from the annual outlook for the 2016/2017 financial year presented in the 2015/2016 Annual Financial Report (section 11.2 of the Consolidated Board of Directors' Report).

Aedifica's consolidated debt-to-assets ratio amounts to 52.5 % as of 30 September 2016 (42.5 % as of 30 June 2016).

Before even considering the new opportunities in Belgium, Germany and The Netherlands, the Company's future growth is ensured given its existing commitments to acquire, renovate, extend, and/or redevelop multiple sites. These projects fit perfectly with Aedifica's strategy which, in the senior housing segment, aims to improve existing sites and to develop new projects in partnership with tenants/operators. The pipeline as of 30 September 2016 for these types of projects represents a total committed budget of €126 million, to be invested over a three-year period (see Appendix I). This strategy allows Aedifica to maintain a portfolio of high-quality buildings that generate attractive net yields.

Finally, note that new investment opportunities are currently under consideration, in Belgium and abroad. These potential investments are fully aligned with the Company's investment strategy.



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2. Important events

2.1. Acquisitions and completions

2.1.1. Acquisition of a portfolio of 8 senior housing sites in Belgium

On 19 August 2016, Aedifica acquired a portfolio of eight senior housing sites in Belgium following the fulfilment of the outstanding conditions, announced in the press release of 24 May 2016. Aedifica took control of seven sites through the acquisition of real estate companies, and of one site through an asset deal. The portfolio comprises eight rest homes, oriented toward seniors requiring permanent care, in the Belgian provinces of Antwerp, Limburg and Flemish Brabant. All sites were built or redeveloped between 1996 and 2016. The Oosterzonne rest home is located in the centre of Zutendaal (8,000 inhabitants, Province of Limburg). The building comprises 82 units. The De Witte Bergen rest home is located in Lichtaart, a part of Kasterlee (18,000 inhabitants, Province of Antwerp). The site comprises 119 units. The Seniorenhof rest home is located in Tongeren (31,000 inhabitants, Province of Limburg) and comprises 52 units; the site also offers extension potential. The Beerzelhof rest home is located in Beerzel, a part of Putte (17,000 inhabitants, Province of Antwerp) and comprises 61 units. The Uilenspiegel rest home is located in Genk (65,000 inhabitants, Province of Limburg) and comprises 97 units; the site also offers extension potential. The Coham rest home is located in Ham (11,000 inhabitants, Province of Limburg) and comprises 120 units; the site also offers extension potential. The Sorgvliet rest home is located in Linter (7,000 inhabitants, Province of Flemish Brabant) and comprises 83 units. The Ezeldijk rest home is located in Diest (23,000 inhabitants, Province of Flemish Brabant) and comprises 105 units. The cumulated contractual value of these eight sites amounts to approx. €97 million. The operation was financed in part using Aedifica's credit facilities and partly through the takeover of existing credit facilities. The operator of the rest homes is the non-profit organisation ASBL Foyer de Lork. The group Senior Living Group took control over ASBL Foyer de Lork. The leases for these eight sites are irrevocable triple net long leases, which generate initial gross yields of more than 5 %. The contractual value amounts to approx. €97 million.

2.1.2. Acquisition of a portfolio of 5 rest homes in Germany

On 1 September 2016, Aedifica announced the acquisition of a portfolio of five rest homes in Germany following the fulfilment of the outstanding conditions, announced in the press release of 6 July 2016. The purchase price was paid in full, thus Aedifica SA controls henceforth the two Luxemburg companies that own the five sites. The operation was financed using Aedifica's credit facilities. The portfolio comprises five rest homes in the German states of Saxony-Anhalt, Bavaria and Berlin. All buildings were built between 2001 and 2003, with the exception of Frohnau rest home. The Am Kloster rest home is located at the outskirts of the city centre of Halberstadt (40,000 inhabitants, State of Saxony-Anhalt), 55 km southwest of Magdeburg. The site was built in 2003 and houses 136 residents. The Rosenpark rest home is located in Uehlfeld, a village near Höchstadt (13,000 inhabitants, State of Bavaria), at 40 km from Nuremberg. The rest home was built in 2003 and houses 79 residents. The Patricia rest home is located in a residential area in Nuremberg (500,000 inhabitants, State of Bavaria). The rest home was built in 2003 and houses 174 residents. The St. Anna rest home is located in a residential area at the outskirts of the historic centre of Höchstadt (13,000 inhabitants, State of Bavaria). The rest home was built in 2002 and houses 161 residents. The Frohnau rest home is located in Berlin (3,562,000 inhabitants, State of Berlin) in the area of Frohnau and houses 107 residents. The rest home was



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originally built in 1969 and subsequently renovated and expanded in 1992. The location and size of the site also offer future extension potential. The operator of the rest homes is the Vitanas group, a German company that has been active in the private senior care market since 1969. The leases for these five sites are new irrevocable long leases. Initial gross yields amount to more than 6 % for a contractual value of approx. €60 million.

2.1.3. Acquisition of a portfolio of 3 senior housing sites in The Netherlands

On 14 September 2016, Aedifica announced the acquisition of a portfolio of three senior housing sites in The Netherlands. The portfolio comprises three senior housing sites in the Dutch provinces of North Brabant and Limburg. The Parc Imstenrade residence is located in Heerlen (87,000 inhabitants, Province of Limburg), approx. 20 km East of Maastricht. The site comprises multiple buildings dedicated for senior housing and care. The main building (a protected monument built in 1923, originally operated as a maternity with a midwifery school) was entirely redeveloped as a senior housing site and expanded with a new wing in 2000. Another new building was added to the site in 2007. Parc Imstenrade comprises 240 apartments for seniors, a care hotel in a separate building comprising ten rooms and a wing for hospital care (“verpleeghuis”) comprising 13 units for seniors suffering from dementia. Moreover, the site (aboveground gross floor area of approx. 47,500 m²) comprises several common areas, a restaurant, a convenience store, a physiotherapist’s office and approx. 380 above and underground parking spaces. The senior apartments are primarily rented out in the non-subsidised sector, but there are also apartments which are offered in the subsidised sector. The site also contains plots of land which offer future extension potential. The Genderstate residence is located in Gestel, a residential area at the outskirts of Eindhoven’s city centre (225,000 inhabitants, Province of North Brabant). The site comprises two buildings and benefits from an excellent location in a green area next to public Genderpark park. The Genderstate residence is part of a larger site that offers several services and housing possibilities specifically for seniors in subsidised and non-subsidised sectors. Both buildings on the site were constructed in the early 2000s. The Genderstate residence (aboveground gross floor area of approx. 7,500 m²) contains 44 senior apartments (non-subsidised sector rentals) and approx. 45 above and underground parking spaces. The Petruspark residence is located in a residential area on the North side of Eindhoven (Province of North Brabant). The building was constructed in 1991 around a vast courtyard. The site (aboveground gross floor area of approx. 20,000 m²) comprises 139 senior apartments (non-subsidised rentals), a restaurant, several common areas and approx. 100 underground parking spaces. About half of the apartments were recently renovated and the other half will be renovated in the near future. Aedifica has allocated a budget amounting to €2 million to fund this ongoing renovation. These three sites are primarily or entirely focused on senior housing in the form of apartments that offer care services on-demand. The buildings weren’t designed as traditional rest homes (with rooms), rather, they were designed as classic apartment complexes, incorporating specific accessibility features, common areas (e.g. restaurants, community spaces) and specialised facilities (e.g. on-call nursing services). Care and other services are optional for the residents. Nursing care is available on demand (as indicated by the presence of a wing for hospital care for seniors suffering from dementia in Parc Imstenrade). Consequently, these buildings offer a range of alternative usages, whether directed toward care services or toward traditional rentals or sale on the private residential market. On 14 September 2016, Aedifica Nederland BV, a 100 % Dutch subsidiary of Aedifica SA, acquired the full property of the three sites. The contractual value of this portfolio amounts to approx. €73 million, including plots of land amounting to €1.5 million. The initial yields for the existing buildings amount to approx. 5.5 %. The operation will be financed using Aedifica’s credit facilities. The



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operator of the three sites is Stichting Vitalis Residentiële Woonvormen. This foundation is part of the Vitalis WoonZorg Groep, a group of foundations that has been active in the senior care and housing market since 1969 (and since 1999 under the name of Vitalis), mainly in the region of Eindhoven. Stichting Vitalis Residentiële Woonvormen sublets the apartments to residents and/or parts of the buildings to specialised operators (e.g. Stichting Vitalis Zorg Groep). Stichting Vitalis Zorg Groep (a foundation which is part of Vitalis WoonZorg Groep, but separated from Stichting Vitalis Residentiële Woonvormen) has committed itself to provide care services to the residents of the three sites for the duration of the lease period with Aedifica. The leases established with Stichting Vitalis Residentiële Woonvormen for these three sites are 15-year triple net long leases (irrevocable by operator).

2.1.4. Acquisition of a new rest home in Belgium

On 30 September 2016, Aedifica announced the completion and acquisition of a senior housing site in Glabbeek (Belgium) via the acquisition (by Aedifica and its subsidiary Aedifica Invest SA) of 100 % of the shares of WZC Arcadia SPRL. This operation is a part of the agreement in principle (announced on 12 June 2014) for acquisition of a portfolio of five rest homes in the province of Flemish Brabant in collaboration with B&R (the construction group). Residentie Den Boomgaard is well located in the centre of the Glabbeek commune (5,000 inhabitants, Province of Flemish Brabant), approx. 20 km from Leuven. The building is ready to welcome 90 residents. The acquisition has been financed using Aedifica's credit facilities. The operator of the site is an entity of the Vulpia Group. The contract established for the rest home is an irrevocable 27-year triple net long lease. The initial gross (triple net) yield amounts to approx. 5.5 % for a contractual value of approx. €12 million.

2.1.5. Completion of a senior housing site in Hasselt (Province of Limburg, Belgium)

On 30 September 2016, Aedifica announced the completion of phase I of the extension project of the Villa Temporis senior housing site, located in Hasselt (76,000 inhabitants, Province of Limburg). Phase I of the extension involved the construction of a new rest home with a capacity of 63 units. The 40 existing assisted-living apartments will be completely renovated during phase II. Villa Temporis is well located in a residential area, near the centre of Hasselt. The rest home was acquired in 2014 and is rented out to an entity of the Vulpia Group on the basis of a 27-year long lease. The lease generates an initial triple net yield of approx. 5.5 %. The contractual value of the site upon completion of phase I amounts to approx. €12 million (i.e. a contractual value of approx. €5 million for the existing building and plot of land and an invested budget of approx. €7 million for the construction project). The remaining investment budget for phase II will amount to approx. €2 million.



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2.1.6. Completion of a senior housing site in Mont-Saint-Guibert (Province of Walloon Brabant, Belgium)

On 30 September 2016, Aedifica announced completion of a new building on the Au Bon Vieux Temps senior housing site, located in Mont-Saint-Guibert (7,000 inhabitants, Province of Walloon Brabant). The construction included a rest home with a capacity of 79 units and 25 assisted-living apartments. Au Bon Vieux Temps is well located in the vicinity of the centre of Mont-Saint-Guibert. The site was acquired in 2008 and is rented out to an entity of the group Senior Living Group on the basis of a 27-year triple net long lease. The investment budget for the extension amounted to approx. €10 million and generates an initial triple net yield of approx. 6 %.

2.2. Disposals

The disposal program for the assisted-living apartments located in Tienen (49 apartments) reached completion in the first quarter. The remaining assisted-living apartments to be sold located in Aarschot amount to approx. €4 million.

2.3. Development projects in progress

As of 30 September 2016, the following development projects are in progress:

- 't Hoge phase II (extension and renovation of a rest home in Kortrijk, West Flanders, Belgium);
- Molenenk (construction of a care residence in Deventer, Overijssel, The Netherlands);
- Op Haanven phase II (extension and renovation of a rest home in Veerle-Laakdal, Antwerp, Belgium);
- La Ferme Blanche (extension and renovation of a rest home in Remicourt, Liège, Belgium);
- Vinkenbosch phase I (extension of a rest home in Hasselt, Limburg, Belgium);
- Prinsen Hof (extension and renovation of a rest home in Koersel, Limburg, Belgium);
- L'Air du Temps (extension and renovation of a rest home in Chênée, Liège, Belgium);
- Les Cheveux d'Argent (extension of a rest home in Sart-lez-Spa, Liège, Belgium);
- Villa Temporis phase II (renovation of a rest home in Hasselt, Limburg, Belgium);
- Plantijn (extension and renovation of a rest home in Kapellen, Antwerp, Belgium);
- Walgaerde (transformation to a care residence in Hilversum, North Holland, The Netherlands).

2.4. Financing

In terms of financing, the following transactions took place since the beginning of the 2016/2017 financial year:

- August 2016: assumption of investment credit facilities as part of the acquisition of a portfolio of eight senior housing sites in Belgium (€33 million maturing between now and 2035);
- September 2016: established new bilateral credit facilities with ING (€40 million and €20 million, maturing in 2021 and 2023 respectively);
- October 2016: established two new bilateral credit facilities with BNP Paribas S.A. Niederlassung Deutschland, a new banking relationship in Germany (2 x €15 million, both maturing in 2021).



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Taking into account the abovementioned financing arrangements, the timetable showing the maturity of Aedifica's current credit facilities is as follows (in € million):

	<u>Lines</u>	<u>Utilisation</u>
- 2016/2017 :	30	30
- 2017/2018 :	92	92
- 2018/2019 :	131	111
- 2019/2020 :	80	80
- 2020/2021 :	91	91
- 2021/2022 :	167	132
- 2022/2023	160	94
- 2023/2024	81	54
- 2024/2025 and following :	<u>43</u>	<u>43</u>
Total	875	727
Weighted Average Maturity (years)	4.4	4.1

Establishment of these credit facilities demonstrates once again the strong and durable relationship Aedifica maintains with its banks.

2.5. Other events

- Aedifica receives an award with regard to financial communication

On 8 September 2016, Aedifica received for the 2nd consecutive year the "EPRA Gold Award" for its 2014/2015 Annual Financial Report, keeping the Company at the top of the 117 real estate companies assessed by EPRA, the European association of listed real estate companies.



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3. Turnover of the quarter ended 30 September 2016

The consolidated turnover (**consolidated rental income**) for the first quarter of the current financial year amounts to €17.4 million, i.e. +22 % compared to the same period of the previous financial year. This is above the quarterly budget as derived from the annual outlook for the 2016/2017 financial year presented in the 2015/2016 Annual Financial Report, owing to the timing and the amount of the acquisitions as compared to what was budgeted.

The consolidated rental income by segment is presented in the following table:

Consolidated rental income (x €1,000)	30 September 2016	30 September 2015	Var. (%) on a like-for-like basis	Var. (%)
Senior housing	13.579	10.197	+1,5%	+33,2%
Apartment buildings	2.746	3.008	-8,7%	-8,7%
Hotels and other	1.075	997	+7,8%	+7,8%
Inter-segment	-49	-30		
Total	17.351	14.172	-0,6%	+22,4%

The evolution of rental income in the senior housing segment (+33.2 % as compared to the same period of the previous financial year overall or +1.5 % on a like-for-like basis) demonstrates the relevance of Aedifica's investment strategy in this segment which generates 78 % of the Company's turnover.

The rental incomes of the apartment buildings, and in particular furnished apartments, have declined given difficult market conditions (due to the security situation and changes within the Brussels' regulatory framework for short term stays) and the ongoing renovation and transformation program. The rental incomes of these buildings are nonetheless in line with budget.

The rental incomes of the hotels have increased slightly.



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4. Investment properties as of 30 September 2016

At the end of the first quarter of the current financial year, Aedifica increased its portfolio of **marketable investment properties** (including assets classified as held for sale of approx. €4 million) by €266 million, from a fair value of €1,131 million to €1,397 million (€1,416 million for the total portfolio, including development projects and assets classified as held for sale). This 23 % growth comes mainly from net acquisitions during the first quarter of the financial year (see section 2.1. above), completion of development projects (see section 2.1. above) and changes in the fair value of marketable investment properties recognised in income (+ €4.9 million, or +0.4 % over the first quarter). The fair value of marketable investment properties, as assessed by independent experts, is broken down as follows:

- senior housing: + €8.3 million, i.e. +0.8 %;
- apartment buildings: - €0.3 million, i.e. -0.1 %; and
- hotels and other: - €3.1 million, i.e. -4.3 %.

On 30 September 2016, Aedifica has 182 marketable investment properties, with a total surface area of approx. 731,000 m², consisting mainly of:

- 97 senior housing sites with a capacity of 9,432 residents;
- 865 apartments; and
- 6 hotels comprising 521 rooms.

The breakdown by sector is as follows (in terms of fair value):

- 79 % senior housing;
- 16 % apartment buildings; and
- 5 % hotels and other building types.

The geographical breakdown is as follows (in terms of fair value):

- 79 % in Belgium, of which:
 - 47 % in Flanders;
 - 22 % in Brussels;
 - 10 % in Wallonia;
- 14 % in Germany; and
- 7 % in The Netherlands.

The **occupancy rate¹ of the total unfurnished portion of the portfolio** (representing 95 % of the fair value of marketable investment properties) amounts to 98.3 % as of 30 September 2016. This occupancy rate is above that of 30 June 2016 (98.1 %).

The **occupancy rate of the furnished portion of the portfolio** (representing only 5 % of the fair value of marketable investment properties) reached 69.4 % for the first quarter of the current financial year. This is a decline compared to the total occupancy rate of the 2015/2016 financial year (78.6%) and the

¹ The occupancy rate is calculated as follows:

- For the total portfolio (excluding the furnished apartments): (contractual rents + guaranteed income) / (contractual rents + estimated rental value (ERV) on vacant areas of the property portfolio). We note that this occupancy rate includes the investment properties for which units are in renovation and hence temporarily not rentable.

- For the furnished apartments: % rented days during the financial year. This occupancy rate can thus not be compared to the one calculated on the rest of the portfolio, as the methodology is specific to this segment.



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occupancy rate realised during the first quarter of the previous financial year (81.4 %) due to the abovementioned reasons (see section 3).

The **overall occupancy rate**² of the total portfolio reached 98 % as of 30 September 2016.

The **average remaining lease maturity** for all buildings in the Company's portfolio is 20 years; this is unchanged as compared to 30 June 2016. This impressive aggregate performance is explained by the large proportion of long-term contracts (such as long leases) in the Company's portfolio.

² Rate calculated according to the EPRA methodology.



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5. Gross yield by segment

The table below presents the **portfolio's gross yield by segment**, compared to the fair value of the marketable investment properties, increased (for furnished apartments) by the goodwill and the carrying amount of the furniture.

In general, the gross yield amounts to 5.7 %.

30 September 2016						
(x €1,000)	Senior housing	Apartment buildings	Hotels and other	Marketable investment properties	Development projects	Investment properties***
Fair value	1,108,660	219,428	68,554	1,396,642	19,183	1,415,825
Annual contractual rents	63,902	10,907 *	4,491	79,300	-	-
Gross yield (%) **	5.8%	4.9%	6.6%	5.7%	-	-

30 June 2016						
(x €1,000)	Senior housing	Apartment buildings	Hotels and other	Marketable investment properties	Development projects	Investment properties***
Fair value	839,921	219,332	71,657	1,130,910	25,924	1,156,834
Annual contractual rents	49,299	11,779 *	4,533	65,611	-	-
Gross yield (%) **	5.9%	5.3%	6.3%	5.8%	-	-

30 September 2015						
(x €1,000)	Senior housing	Apartment buildings	Hotels and other	Marketable investment properties	Development projects	Investment properties***
Fair value	729,674	215,884	72,822	1,018,380	17,313	1,035,694
Annual contractual rents	42,732	12,200 *	4,559	59,490	-	-
Gross yield (%) **	5.9%	5.6%	6.3%	5.8%	-	-

* The amounts related to the furnished apartments correspond to the annualised rental income excl. VAT.

** Based on the fair value (re-assessed every 3 months, increased with the goodwill and the furniture for the furnished apartments). In the senior housing segment, the gross yield and the net yield are generally equal ("triple net" contracts), with the operating charges, the maintenance costs and the rents on empty spaces related to the operations being, in Belgium and in The Netherlands, supported by the operator (the same applies for hotel lease contracts). In Germany, the net yield is generally lower than the gross yield, with certain charges remaining at the responsibility of the owner, such as the repair and maintenance of the roof, structure and facades of the building ("double net" contracts).

*** Including assets classified as held for sale.



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6. Net asset value per share as of 30 September 2016

The table below presents the evolution of the **net asset value per share**.

Excluding the non-monetary impact (that is to say, non-cash) of IAS 39³, the net asset value per share based on the fair value of investment properties is €47.65 as of 30 September 2016 (€47.08 per share on 30 June 2016).

Net asset value per share (in €)	30 September 2016	30 June 2016
Based on fair value of investment properties		
Net asset value excl. IAS 39	47.65	47.08
IAS 39 impact	<u>-3.32</u>	<u>-3.34</u>
Net asset value	44.33	43.74
Number of share outstanding (excl. treasury shares)	14,192,032	14,192,032

7. Outlook

The Board of Directors continues to pay close attention to the shifting economic and financial context and the associated effects on the Group's activities.

In the current economic climate, Aedifica's **key strengths** include the following:

- Its strategic focus on health care real estate and its expansion in Europe, which allows the Company to adapt to shifting market opportunities and economic conditions, in the context of an ageing population.
- Thanks to its investments in senior housing, Aedifica benefits from indexed long-term rental incomes, which generate high net yields. The average remaining lease maturity on the total of its leases (20 years) provides a very good view toward the majority of its future income streams over the long term.
- External financing of the real estate portfolio (including commitments for development projects) is assured, with credit facilities in place totalling €875 million and with only €30 million of these reaching maturity before the end of the 2016/2017 financial year. At present, drawings on these credit facilities are in large part covered by hedging instruments.
- Aedifica is in a good solvency position, with a consolidated debt-to-assets ratio of 52.5 % as of 30 September 2016 (below the maximum legal limit of 65 % imposed for Belgian REITs and the contractual maximum of 60 % imposed by way of bank covenants). This is further supported by the stable fair values that the Company's real estate portfolio has demonstrated for many years. Aedifica enjoys a balance sheet structure that permits executing development projects and renovations (commitments representing approximately €126 million as of 30 September 2016,

³ The IAS 39 impact of - €3.32 per share as of 30 September 2016 is the impact in equity of the fair value of hedging instruments, which is negative for €47 million, mainly booked in the liabilities on the balance sheet.



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of which €108 million are to be realised within a three-year period - see Appendix I) and to realise new investments.

The dividend expectations for the current financial year, as published in the 2015/2016 Annual Financial Report, remain unchanged at €2.25 gross per share, this represents an increase of 7 % compared to the dividend distributed for the 2015/2016 financial year.

8. Ranking Aedifica

According to the “Weekly table value”, published on 14 November 2016 by Bank Degroof Petercam, Aedifica is currently the 4th Belgian REIT in terms of market capitalisation.

Moreover, between 31 December 2006 and 31 December 2015, Aedifica rose successfully from 36th to 8th place in the ranking of the 100 largest real estate portfolios in Belgium (according to the “Investors Directory 2016”, published by Expertise BVBA in January 2016).

9. Principal risks and uncertainties

The Board of Directors considers that the key risk factors summarised in pages 2 to 11 of the 2015/2016 Annual Financial Report remain relevant for the remaining months of the 2016/2017 financial year.

By way of update, please note that a draft bill was tabled in Parliament recently, introducing a new reduced withholding tax rate of 15% for dividends paid by a regulated real estate company that invests at least 60% of its real estate directly or indirectly into immovable property that is destined or used for health care. This amendment, however, would only, if approved, come into force for dividends paid or attributed as from January 1st 2017.

10. Corporate governance

10.1. Renewal of terms of office

The Annual General Meeting of 28 October 2016 renewed, with immediate effect and for a period of 3 years (until the end of the Annual General Meeting of 2019) the office of Mr. Jean Kotarakos, as executive Director, and the office of Mr. Jean Franken, as non-executive independent Director.

10.2. Outgoing Director

Recall that Mr. Olivier Lippens ended his mandate as Director and Chairman of the Board of Directors (see press release of 30 September 2016). The Board expresses once again its appreciation for his contribution to Aedifica’s development.



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10.3. Election of a new Chairman of the Board of Directors

As announced on 30 September 2016, Mr. Serge Wibaut was appointed new Chairman by the Board of Directors. Mr. Serge Wibaut has been a member of the Board of Directors since 2015, as Independent Director, and was Chairman of the Audit Committee since 2016. He has become a member of the Investment Committee as well.

Mr. Wibaut has been replaced by Mrs. Adeline Simont in the position of Chairman of the Audit Committee. Mrs. Simont has been a member of the Board of Directors since 2005. Although Mrs. Simont is not an Independent Director, the Board of Directors is convinced she meets all the necessary conditions for this interim office in terms of competencies as well as experience.

11. Financial calendar⁴

Financial calendar	
Half year results 31.12.2016	21/02/2017
Interim statement 31.03.2017	16/05/2017
Annual press release 30.06.2017	5/09/2017
2016/2017 Annual Financial Report	22/09/2017
Annual general meeting	27/09/2017

The English version of this press release constitutes a free translation of the French language text and is made for information purposes only. In case of inconsistency with the French version or inaccuracy of the English translation, the French text shall prevail.

⁴ These dates are subject to change.



PRESS RELEASE Regulated information

16 November 2016 – After closing of markets
Under embargo until 17:40 CET

Aedifica is a Regulated Real Estate Company under Belgian law specialised in healthcare real estate, particularly in senior housing. Aedifica has developed a portfolio worth more than €1.4 billion in Belgium, Germany and in The Netherlands.

Aedifica has been quoted on the Euronext Brussels (continuous market) since 2006 and is identified by the following ticker symbols: AED; AED:BB (Bloomberg); AOO.BR (Reuters).

The Company's market capitalisation was €1.1 billion as of 31 October 2016.

Aedifica is included in the EPRA indices.

Forward-looking statement

This document contains forward-looking information that involves risks and uncertainties, including statements about Aedifica's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Aedifica. Should one or more of these risks, uncertainties or contingencies materialise, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, Aedifica does not assume any responsibility for the accuracy of these forward-looking statements.

For all additional information new cards to insert

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Appendices

I. Projects and renovations in progress (in € million)

Projects and renovations (in € million)		Estimated inv.	Inv. as of 30 Sep 2016	Future inv.	Date of completion	Comments
I. Projects in progress						
't Hoge	Kortrijk (BE)	2	1	1	2016/2017	Extension and renovation of a rest home
Molenenk	Deventer (NL)	10	4	6	2016/2017	Construction of a care residence
Op Haanven	Veerle-Laakdal (BE)	2	1	2	2016/2017	Extension and renovation of a rest home
La Ferme Blanche	Remicourt (BE)	6	2	4	2016/2017	Extension and renovation of a rest home
Vinkenbosch I	Hasselt (BE)	11	7	4	2016/2017	Extension of a rest home
Prinsenhof	Koersel (BE)	4	0	4	2016/2017	Extension and renovation of a rest home
Huize Lieve Moenssens	Dilsen-Stokkem (BE)	7	0	7	2017/2018	Extension and renovation of a rest home
Air du Temps	Chênée (BE)	7	0	7	2017/2018	Extension and renovation of a rest home
Résidence Cheveux d'Argent	Spa (BE)	3	0	3	2017/2018	Extension of a rest home
Villa Temporis II	Hasselt (BE)	2	0	2	2017/2018	Renovation of a rest home
Aux Deux Parcs	Jette (BE)	2	0	2	2018/2019	Extension of a rest home
Vinkenbosch II	Hasselt (BE)	1	0	1	2018/2019	Renovation of a rest home
Plantijn	Kapellen (BE)	9	1	8	2018/2019	Extension and renovation of a rest home
II. Projects subject to outstanding conditions						
Hotel Martin's Brugge	Brugge (BE)	1	0	1	2016/2017	Extension of the hotel
De Stichel	Vilvoorde (BE)	4	0	3	2017/2018	Extension of a rest home
Oase Binkom	Binkom (BE)	2	0	2	2017-2018	Extension of a rest home
III. Land reserves and other						
Plot of land Bois de la Pierre	Wavre (BE)	2	2	0	-	Land reserve
Platanes	Brussels (BE)	0	0	0	-	Land reserve
IV. Acquisitions subject to outstanding conditions						
Walgaerde	Hilversum (NL)	4	0	4	2016/2017	Acquisition of a care residence
Jardins de la Mémoire	Anderlecht (BE)	11	0	11	2016/2017	Acquisition of a rest home
Oostende	Oostende (BE)	11	0	11	2017/2018	Acquisition of a rest home
Martha Flora Rotterdam	Rotterdam (NL)	8	0	8	2017/2018	Acquisition of a new care residence
Mechelen	Mechelen (BE)	17	0	17	2018/2019	Acquisition of a new rest home
Total		126	18	108		
Roundings		-	1	-		
On balance sheet			19			

Of these projects, 98 % are pre-let. It is expected that the total investment budget as of 30 September 2016 (€126 million) will be paid in cash, with the exception of €4 million, which would be financed by the issue of new Aedifica shares in the context of the Jardins de la Mémoire project.