

FOR CITIES
FOR PEOPLE



FULL YEAR RESULTS 2023

Investor Presentation
March 11th 2024



IMMOBEL
SINCE 1863



SUMMARY



Oxy | Brussels

01 MACRO-ECONOMIC AND REAL ESTATE ENVIRONMENT

02 HIGHLIGHTS

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IMMOBEL AT A GLANCE

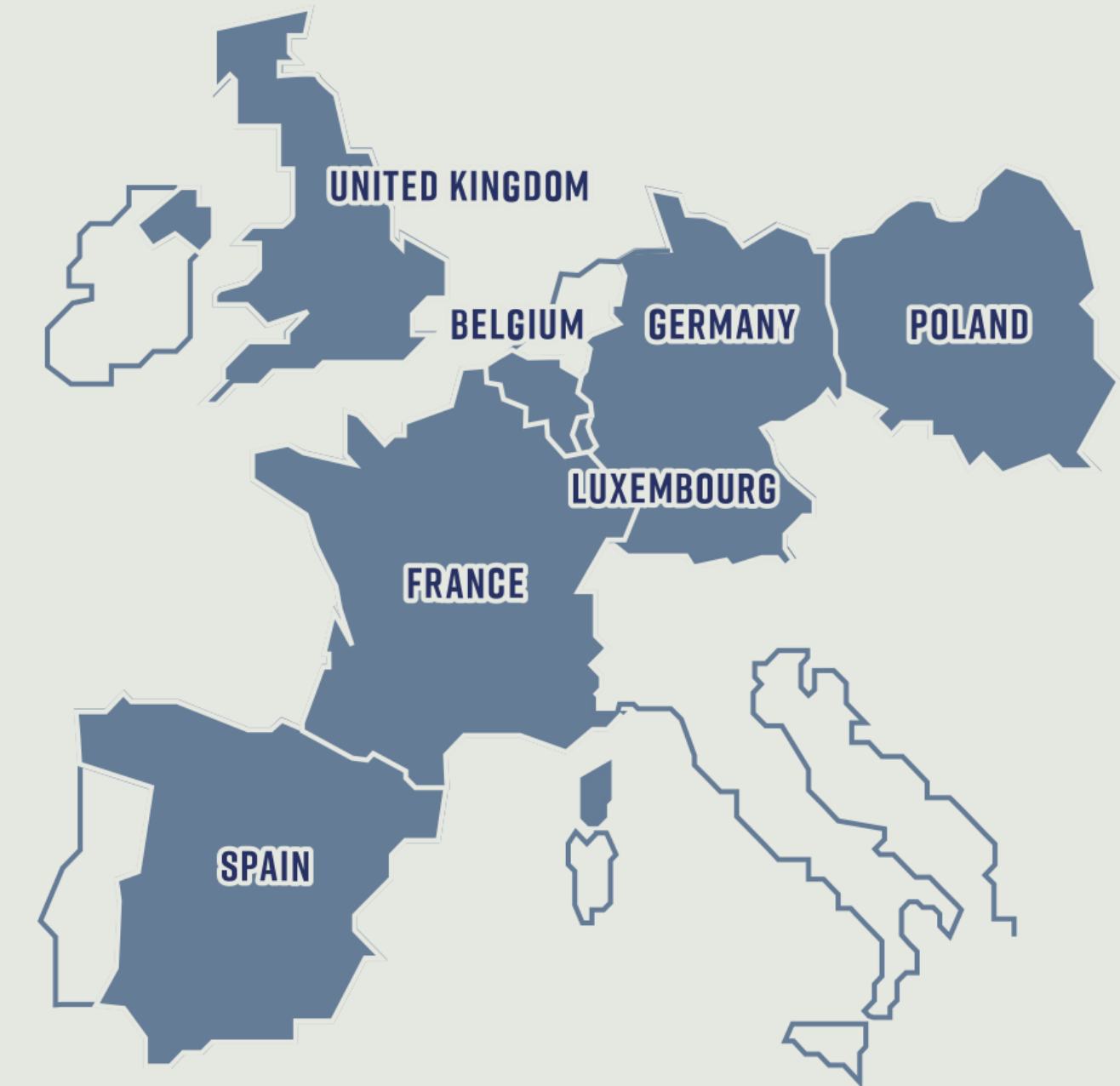
We are a Belgian real estate development company that specialises in the creation of sustainable and high-quality projects across Europe, encompassing residential, office and mixed-use properties. With more than 160 years of history, we have extensive experience in developing neighbourhoods that enrich the lives of the communities we serve. We create healthy places.

Ambitious ESG policy based on three pillars on asset level:

1 
For the users

2 
For the neighbourhood

3 
For the environment



EUR 292 mio
Market Capitalisation¹

52
Projects under development

1.300.000 m²
Under development

EUR 5 bio
Gross development value²

78%
Residential projects in portfolio

> 150
Devoted team members in Europe

1. On 31 December 2023

2. Sales value or gross development value: total expected future turnover (Group share) of all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelihood of completion).





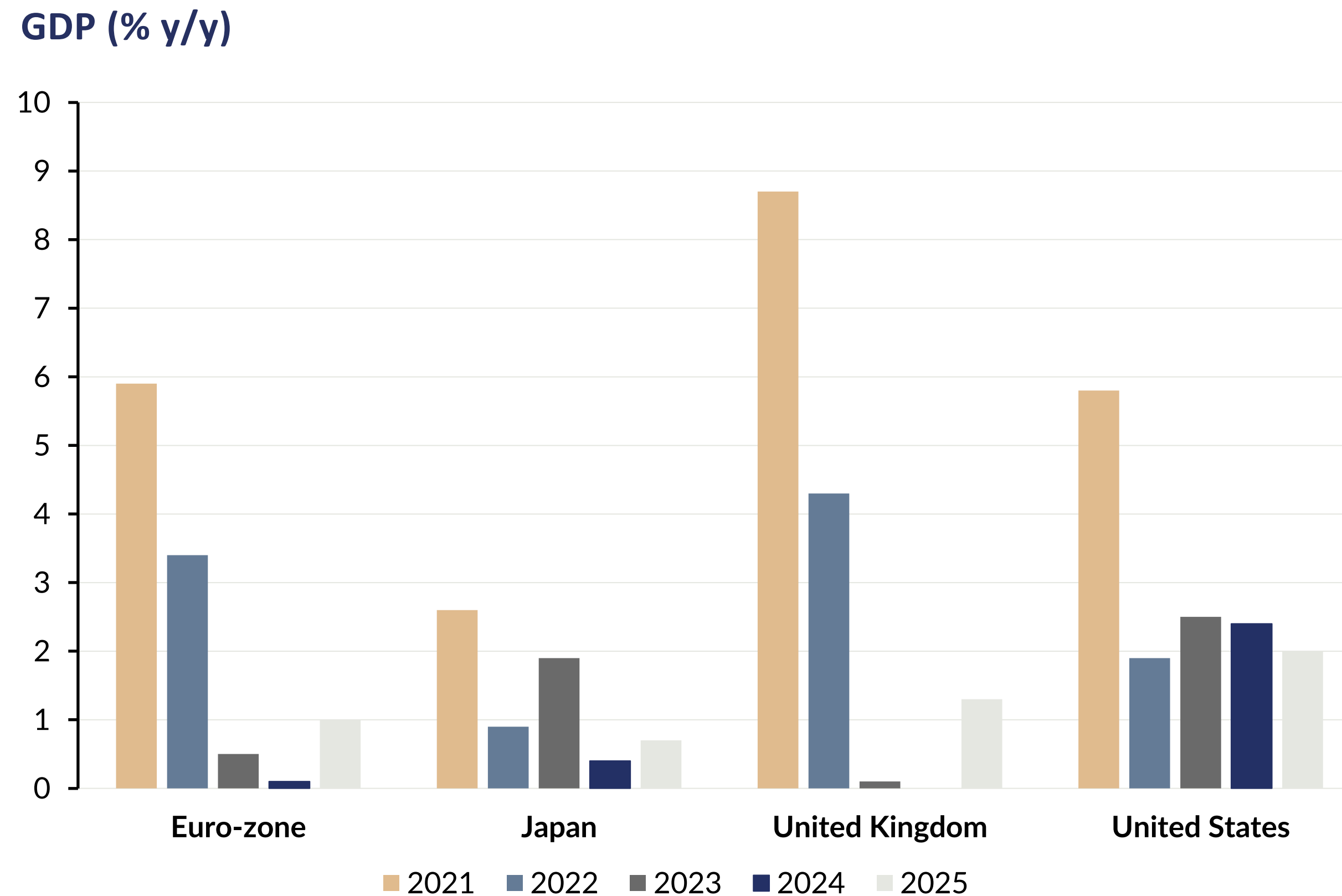
MACRO-ECONOMIC ENVIRONMENT



01 Macro-economic and real estate environment

Economic Growth

Global economy expected to recover as from 2025



- The global economy is still slowing as tighter monetary policy continues to feed through
- Any recession in major developed markets is currently expected to be mild
- Consumptions should remain weak in the next quarters due to low growth in household's disposable income
- Growth should start to pick-up by the end of the year

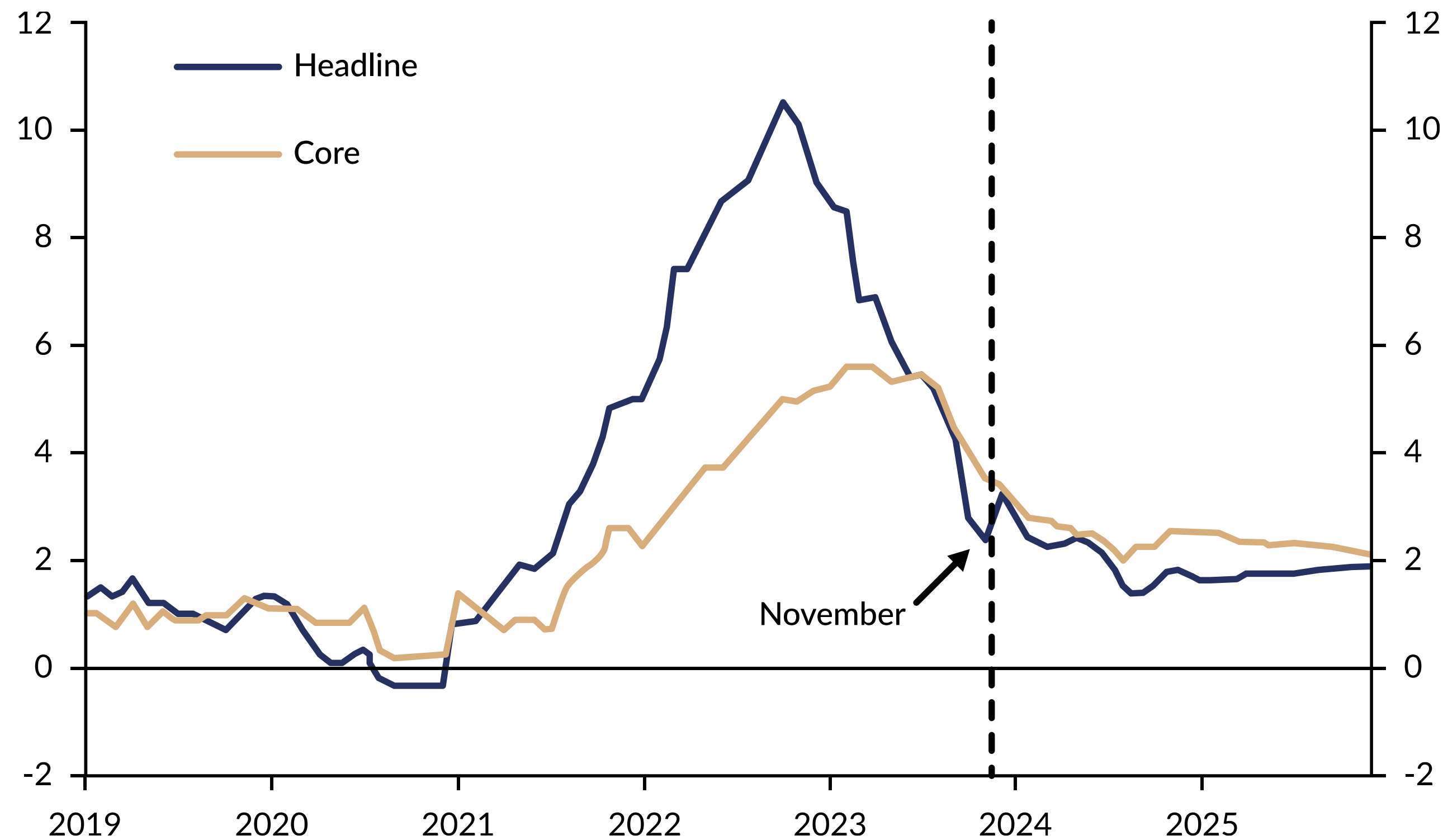


01 Macro-economic and real estate environment

Inflation

Despite lower commodity prices, tight labour markets are expected to maintain core and services inflation above the 2% ECB target

Euro-zone Consumer Price (% y/y)



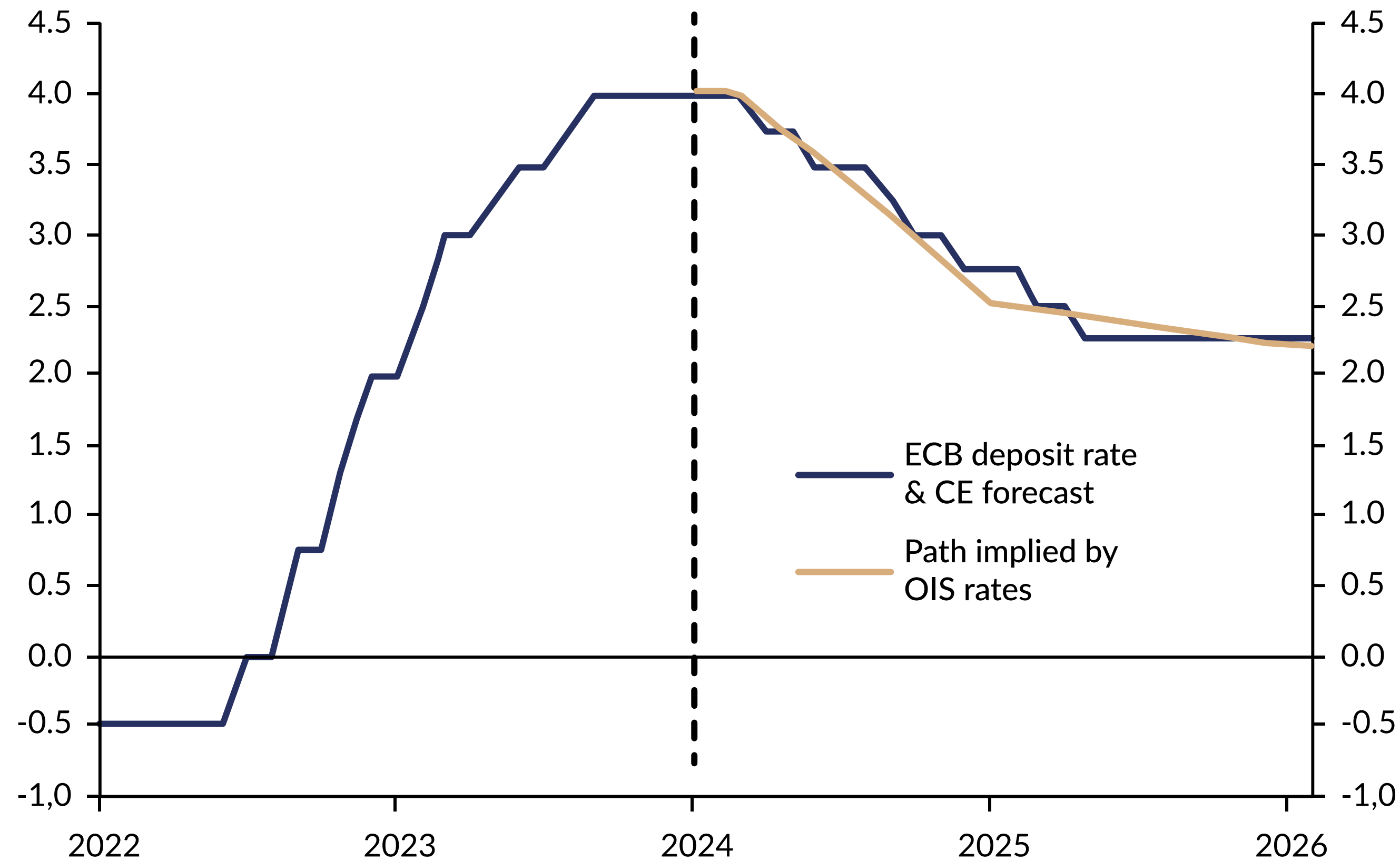
- Lower commodity prices and improved global supply conditions mean that headline inflation should keep falling to reach the target of 2% in 2024
- Due to the tightness of labour markets, it could take longer before services inflation reaches the 2% inflation target



01 Macro-economic and real estate environment

ECB Policy Rate

First interest rate cut expected in Summer 2024



- The deposit rate has increased from -0.5% to 4%
- Main reason for this unprecedented increase is to combat inflation that has soared to more than 10% early 2023 in the main developed economies
- Liquidity in the real estate market should improve when monetary policy returns to a more dovish stance
- According to the ECB's most recent comments, first interest rate cut expected in Summer 2024



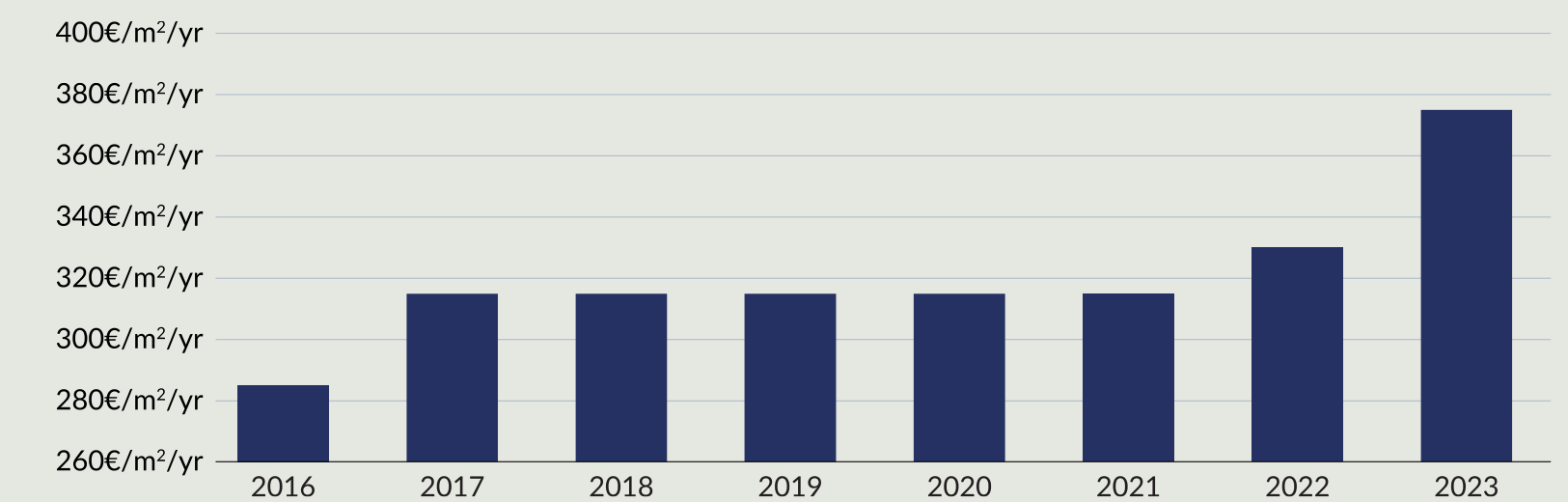
01 Macro-economic and real estate environment

Office Sector

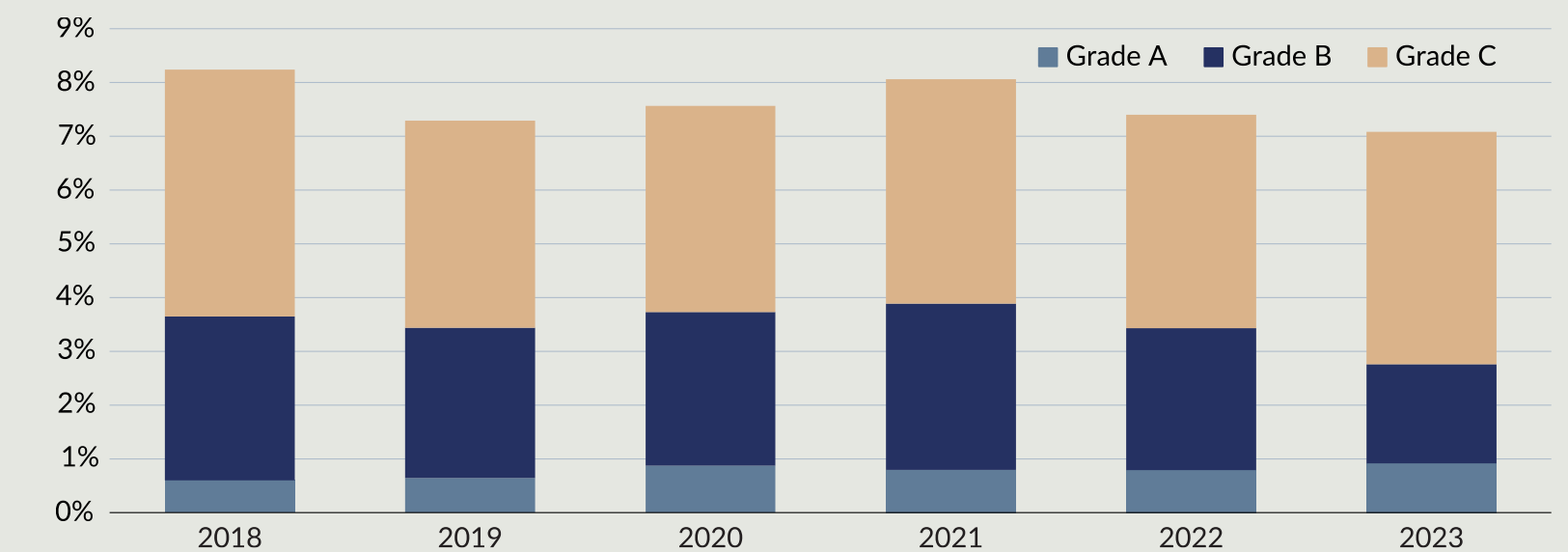
Investment market should improve in 2024 as the price gap between buyers and sellers narrows

- Upward pressure on prime rents in the main European capital cities due to sustained demand for quality office space and limited new speculative development
- Near term, office rent growth is expected to slow across Europe due to cooling labour markets and home working
- However, newly-built office buildings should outperform due to the strong demand from occupiers to meet ESG and well-being objectives
- Due to uncertain economic conditions, the institutional investment market for offices is still at a standstill, but a recovery is expected by the end of the year as the price gap between buyers and sellers narrows

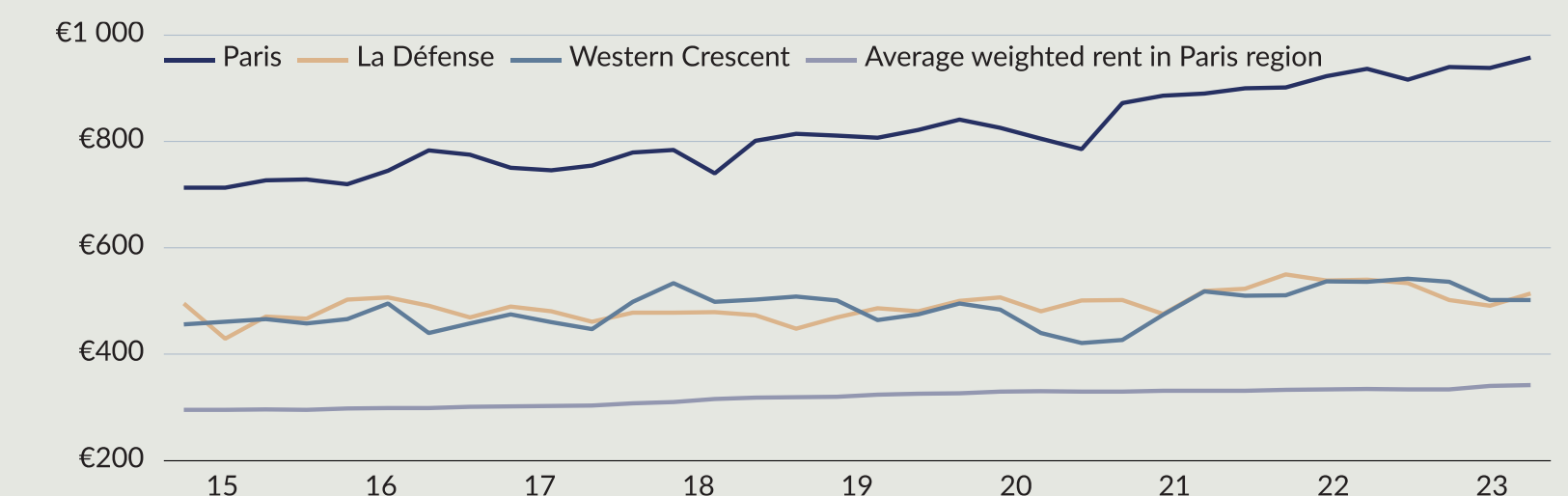
Brussels – Prime rent evolution (2016-Q4 2023)



Brussels – office vacancy rate (Q4 2023)



Paris – Prime Rents



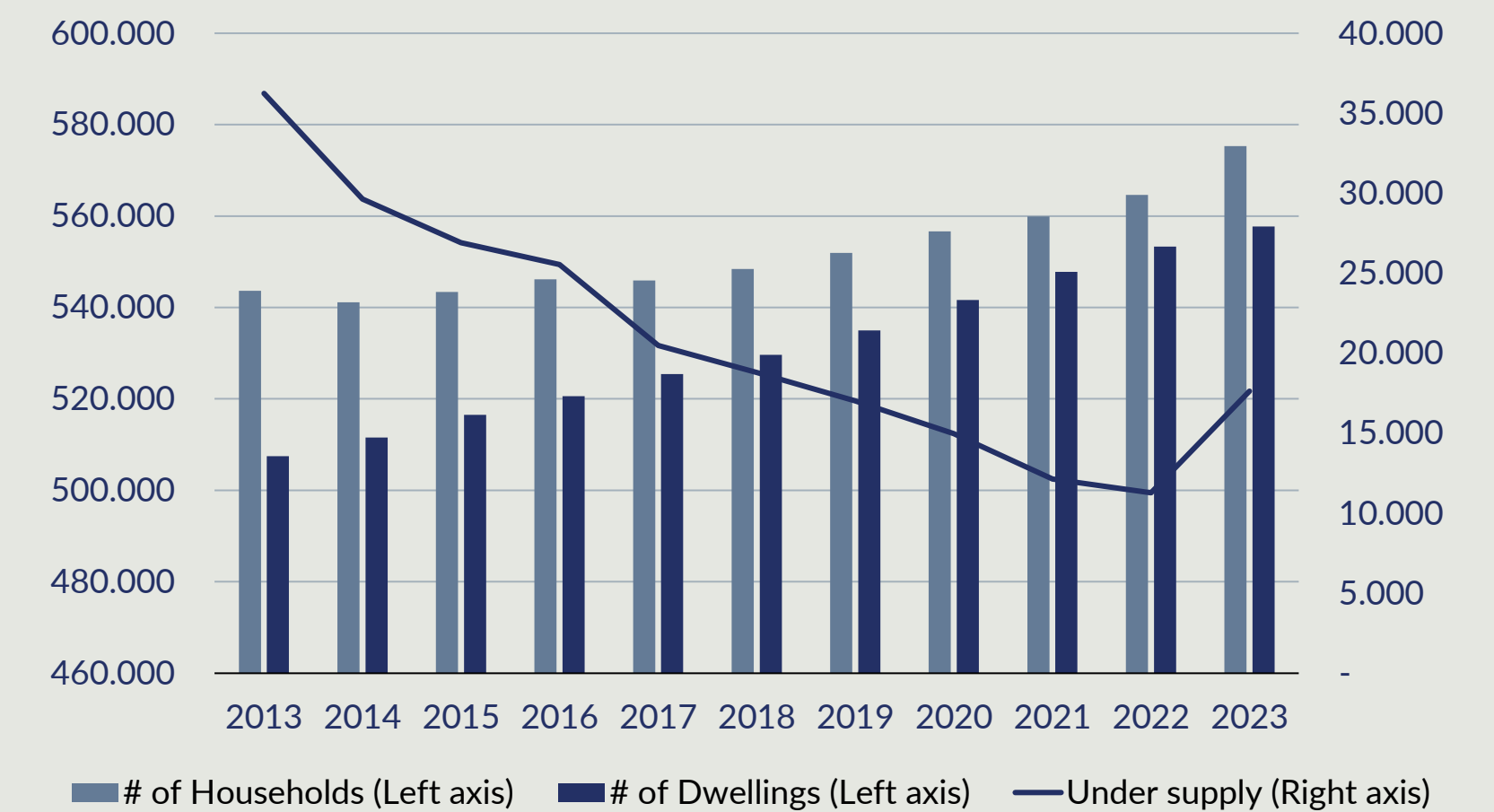
01 Macro-economic and real estate environment

Residential Sector

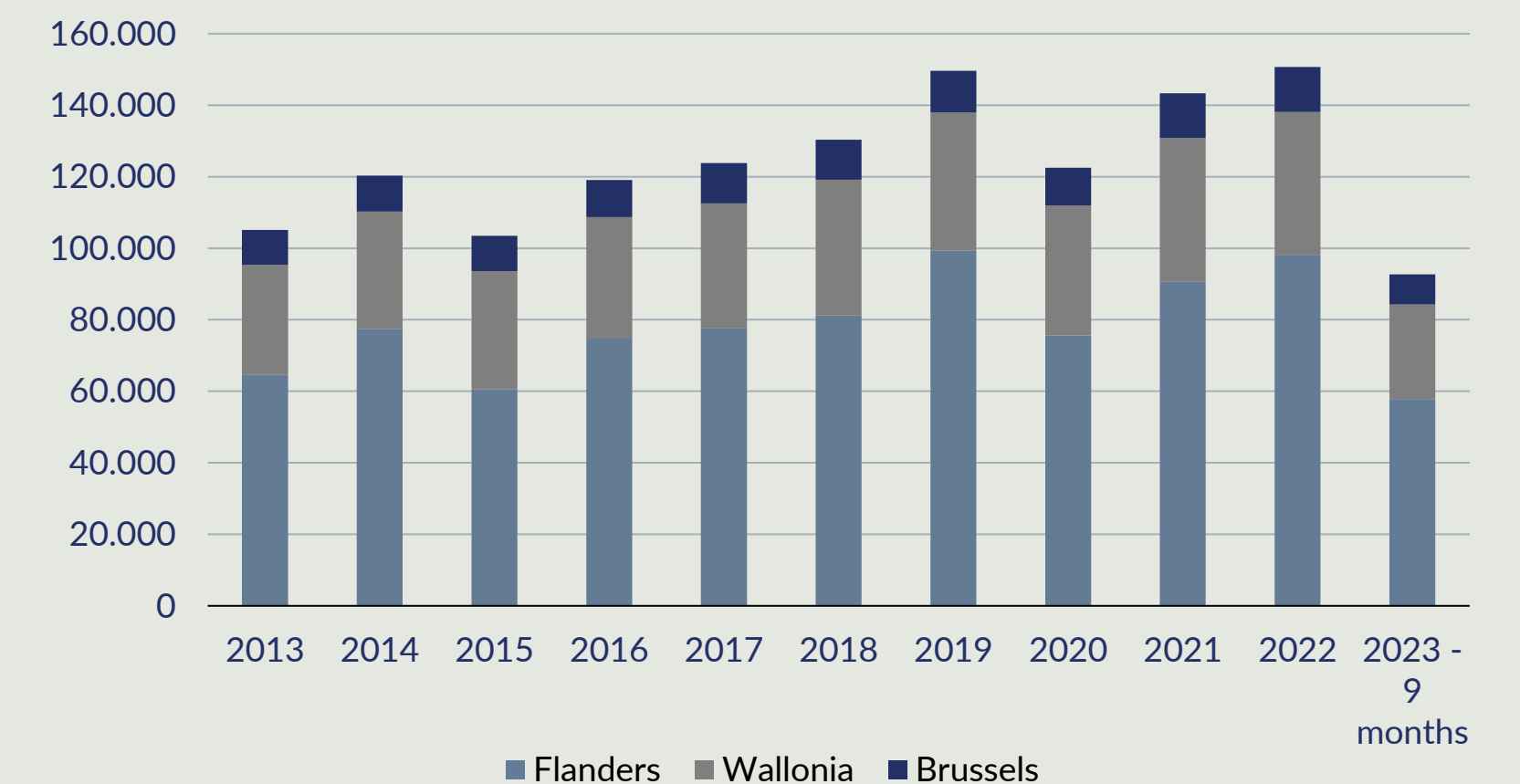
Residential markets have already bottomed out but the recovery will depend largely on the trend in mortgage rate

- Across Europe, the residential sector shows exacerbated long-standing problems with lack of supply, affordability and energy consumptions issues
- For newly-built projects, rising construction costs and increasing mortgage costs are contributing to or causing a fall in new home sales
- Transactions volume in Germany, France and Luxembourg have significantly slowed down whereas in Belgium, the slowdown is less pronounced
- Trend in mortgage rates will remain the key factor in supporting the market's recovery

Housing availability in Brussels (number of units)



Transaction volume by region (number of units)





HIGHLIGHTS



Immobel navigates challenging market and eyes market rebound in 2025



Business update

- Belgian residential market resilient; despite transaction volume dip, prices rise
- Successful larger projects: Ilot Saint Roch, O'Sea, Slachthuis site – continue to show potential in 2024, great start with Oxy
- Residential markets in Germany, Luxembourg, France weakened; Immobel sold 91% key projects, minimal exposure
- Office building sales stagnant, but Immobel's completed properties nearly fully leased, yielding EUR 16 million in annual rental income
- 78% of portfolio consists of residential real estate
- Immobel's green office buildings in prime locations experience high demand, low supply, driving up prime rental prices
- Oxy project in Brussels exemplifies success, with 70% office occupancy, securing long-term leases with Engie and Motel One for hotel area.
- Immobel secures extension (Sept 2024) with Proximus and has sole right to call the transaction, allowing further market assessment
- Strategy shifted from "growth" to "operational excellence," leading to 36% decrease in annual overhead costs, from EUR 50 million to EUR 32 million
- Intensified focus on project permissions, construction advancement, and lease/sales contracts to generate value throughout process



Immobel navigates challenging market and eyes market rebound in 2025

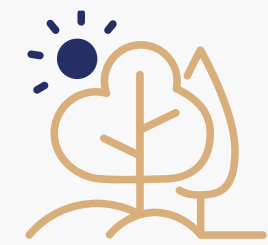


Financial update

- Underlying EBITDA at EUR 35 million with an underlying net result of EUR 12 million and net result of EUR -38 million, impacted by one-time cost of EUR 10 million for strategic cost-cutting measures
- EUR 40 million impairment taken on EUR 1.7 billion total assets (recorded at cost) or 2.3% of total assets
 - Primarily due to final adjustments in valuation of residential assets in France
- Liquidity position of EUR 212 million by end of 2023
- Average debt cost 3.7% with more than 90% hedged or fixed up to end 2025
- Final permits obtained for GDV of EUR 311 million, total permitted GDV at EUR 1.3 billion by end 2023, out of a portfolio GDV of EUR 5.0 billion
- Gearing ratio at 62.4% by close of 2023
 - With no corporate refinancing planned for 2024
 - Including completed office spaces generating EUR 16 million in indexed rental income
 - Potential divestment of offices could decrease gearing ratio
- The Board of Directors proposes an optional gross dividend of EUR 1,20 per share, with majority shareholder opting for the conversion of his dividend rights in shares

02 FY 2023 highlights

Immobel navigates challenging market and eyes market rebound in 2025



ESG update

- Intensified preparations for Corporate Sustainability Reporting Directive and European Taxonomy guidelines
- Achieved GRESB 5-star rating with a score of 95 in the development category due to increased certifications, non-fossil fuel adoption, and enhanced stakeholder engagement



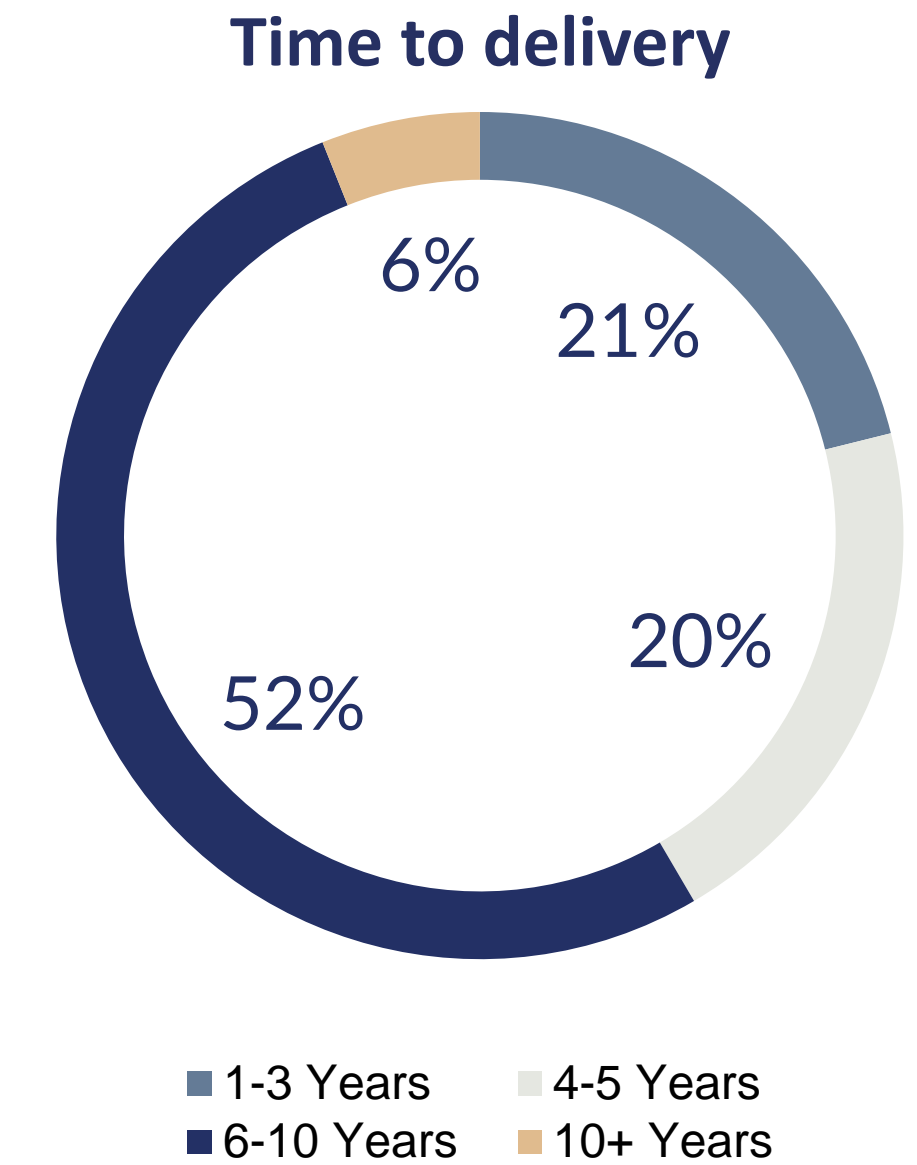
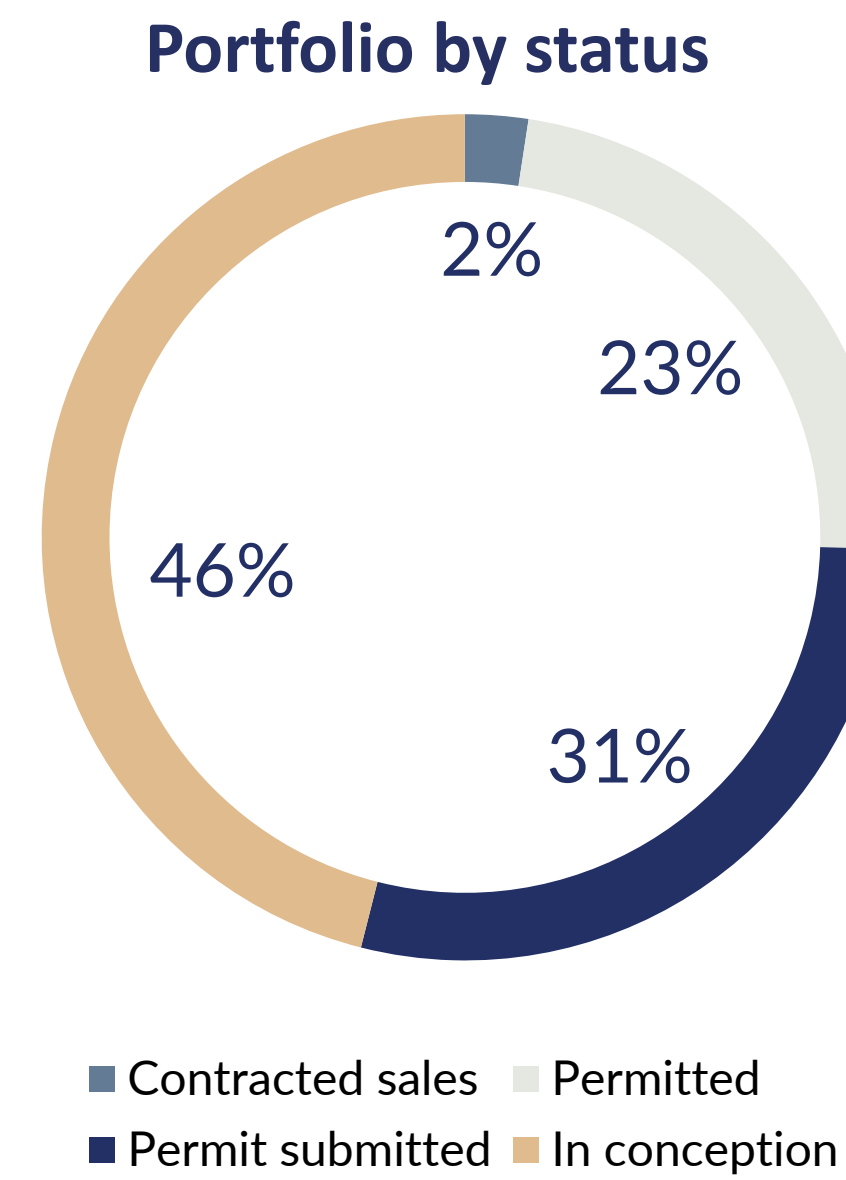
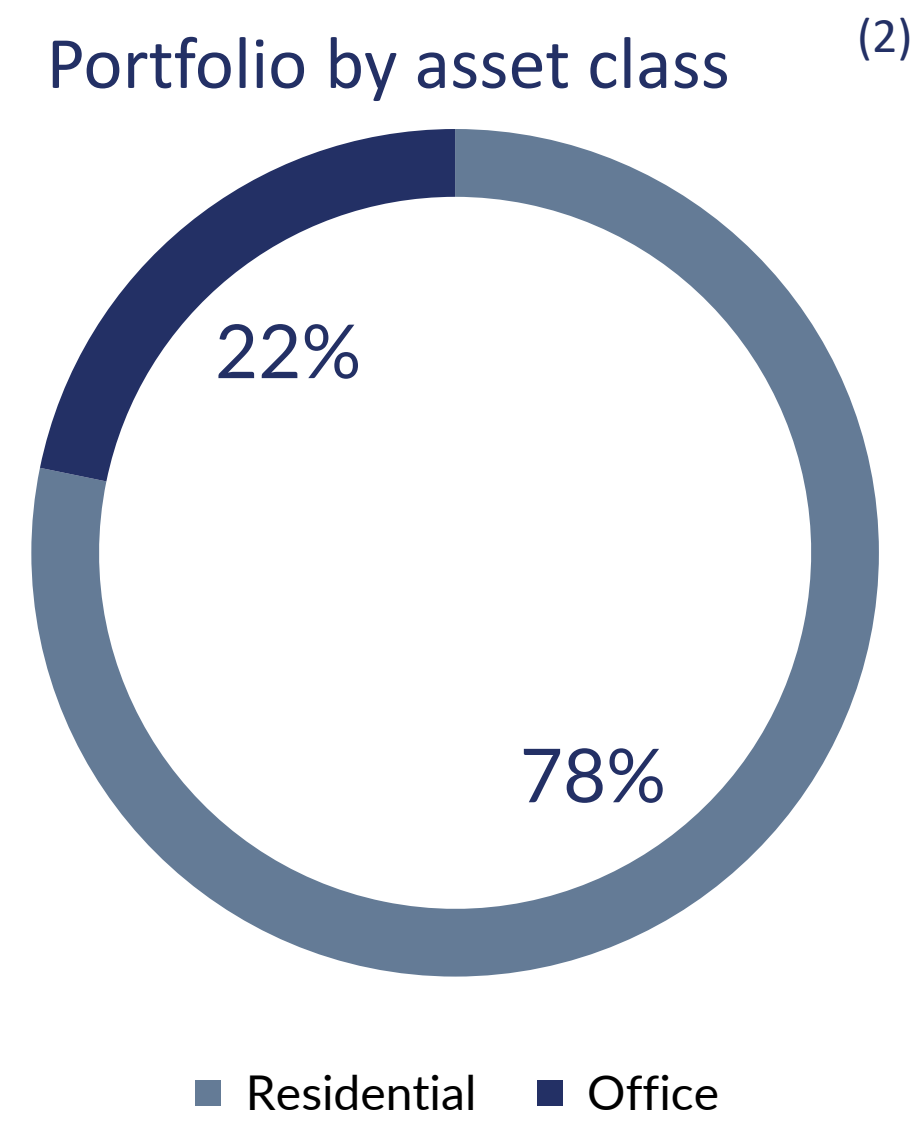
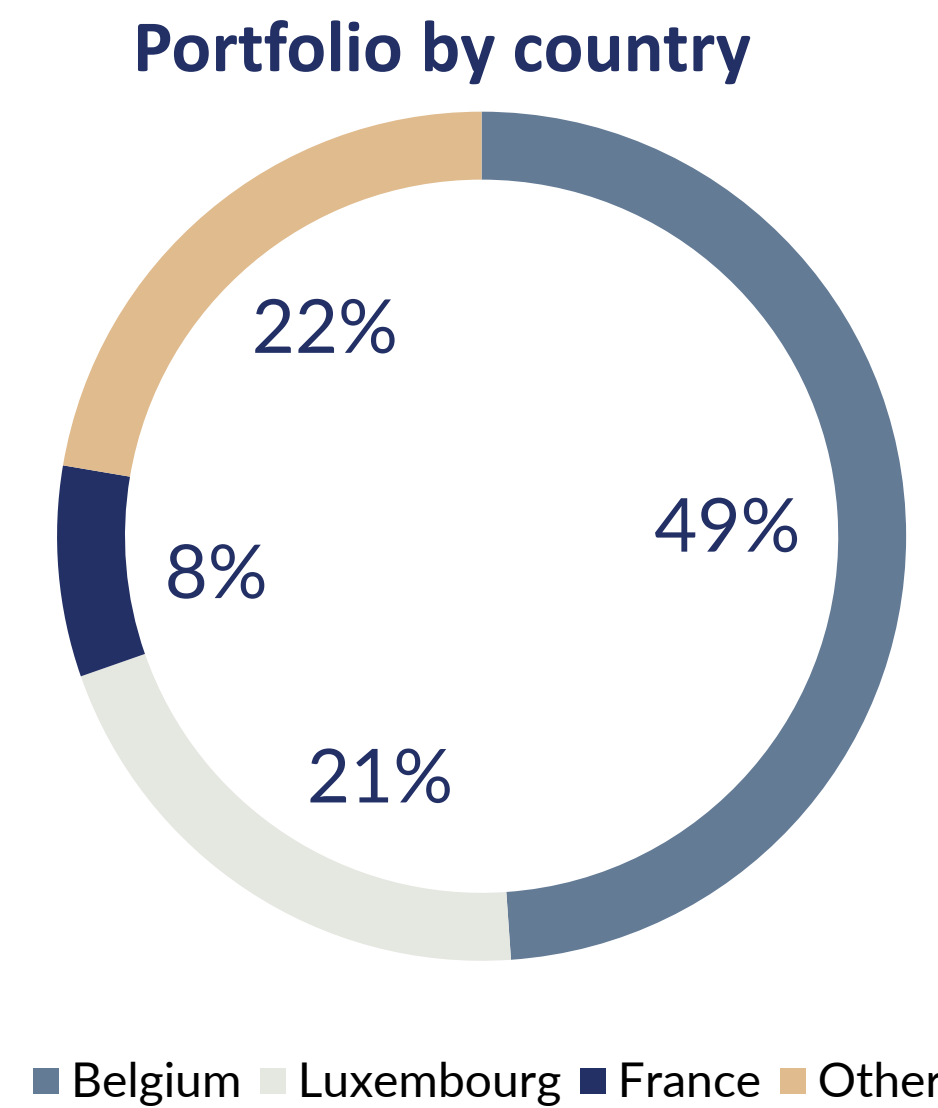
+ PORTFOLIO OVERVIEW



03 Portfolio overview

Portfolio strategy

Permitting pipeline of EUR 1.4 bn, 1.842 residential units ⁽¹⁾ and 6 office projects





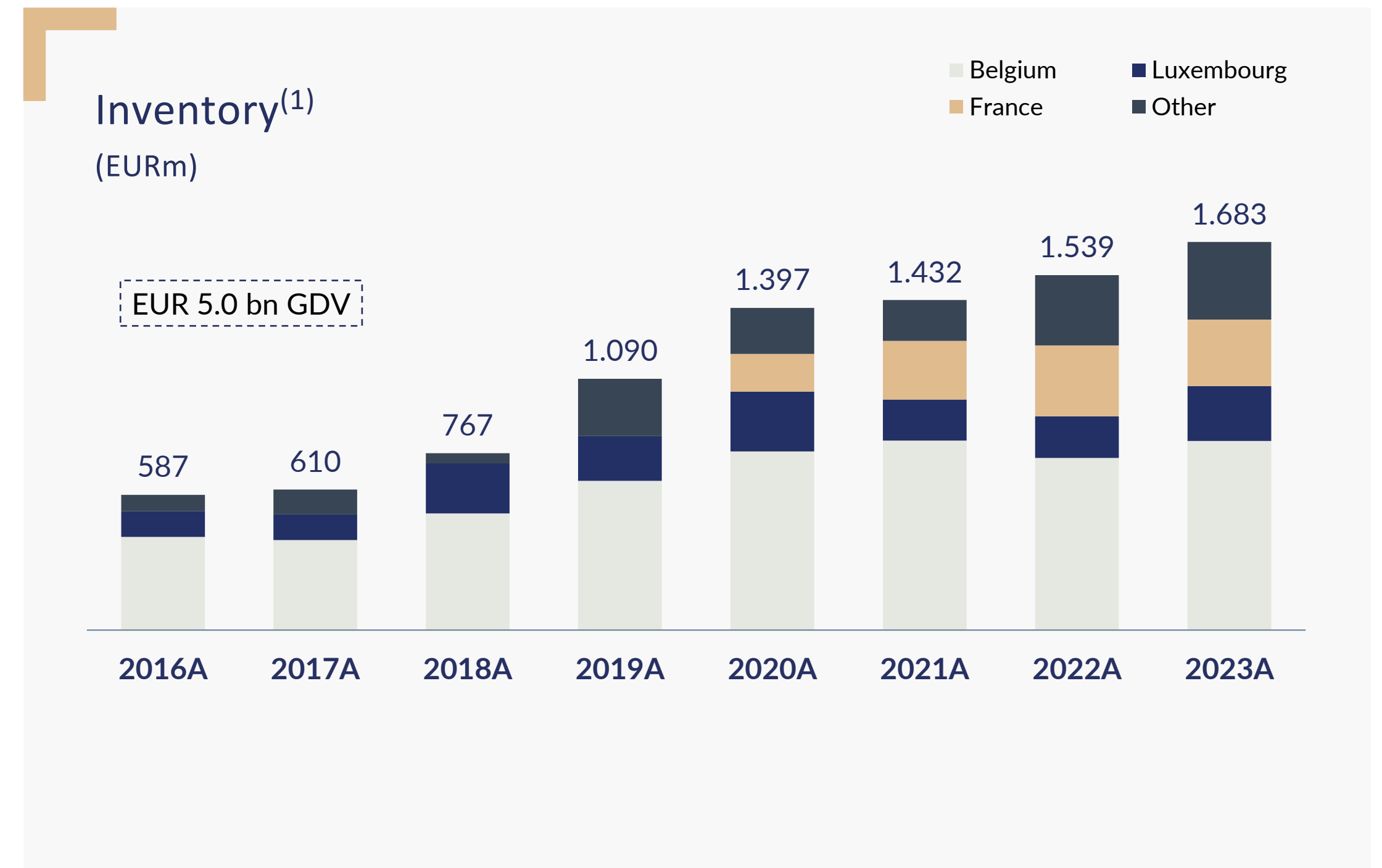
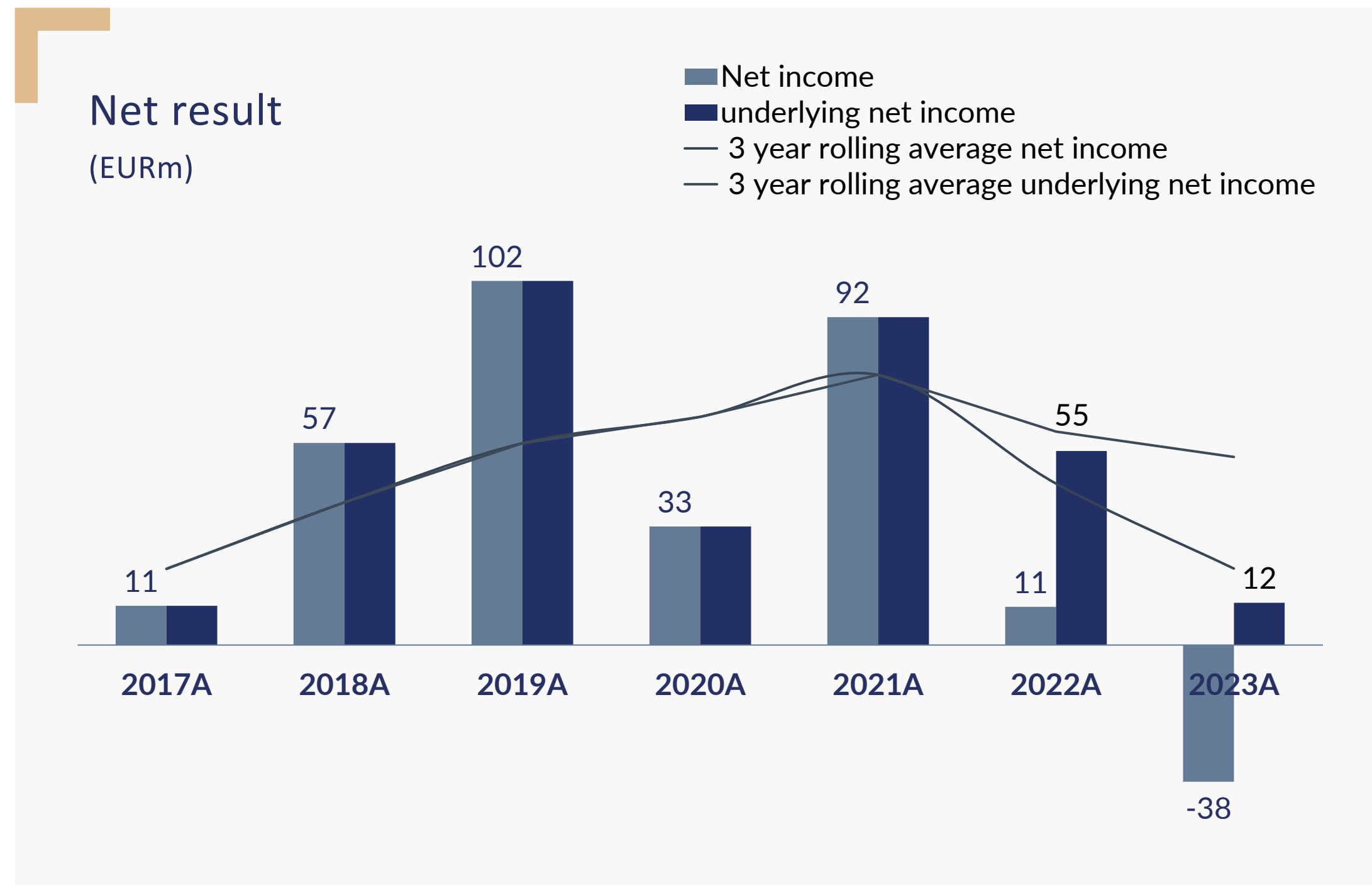
FINANCIAL PERFORMANCE



04 Financial performance

P&L

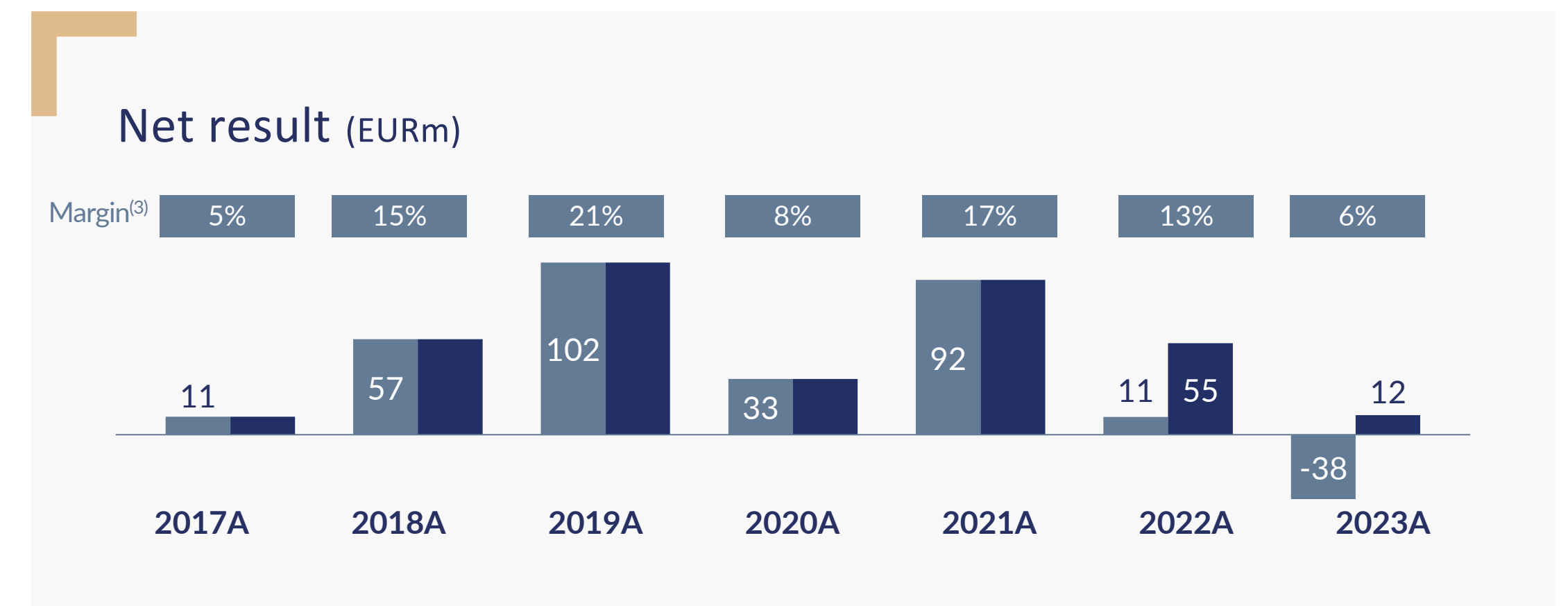
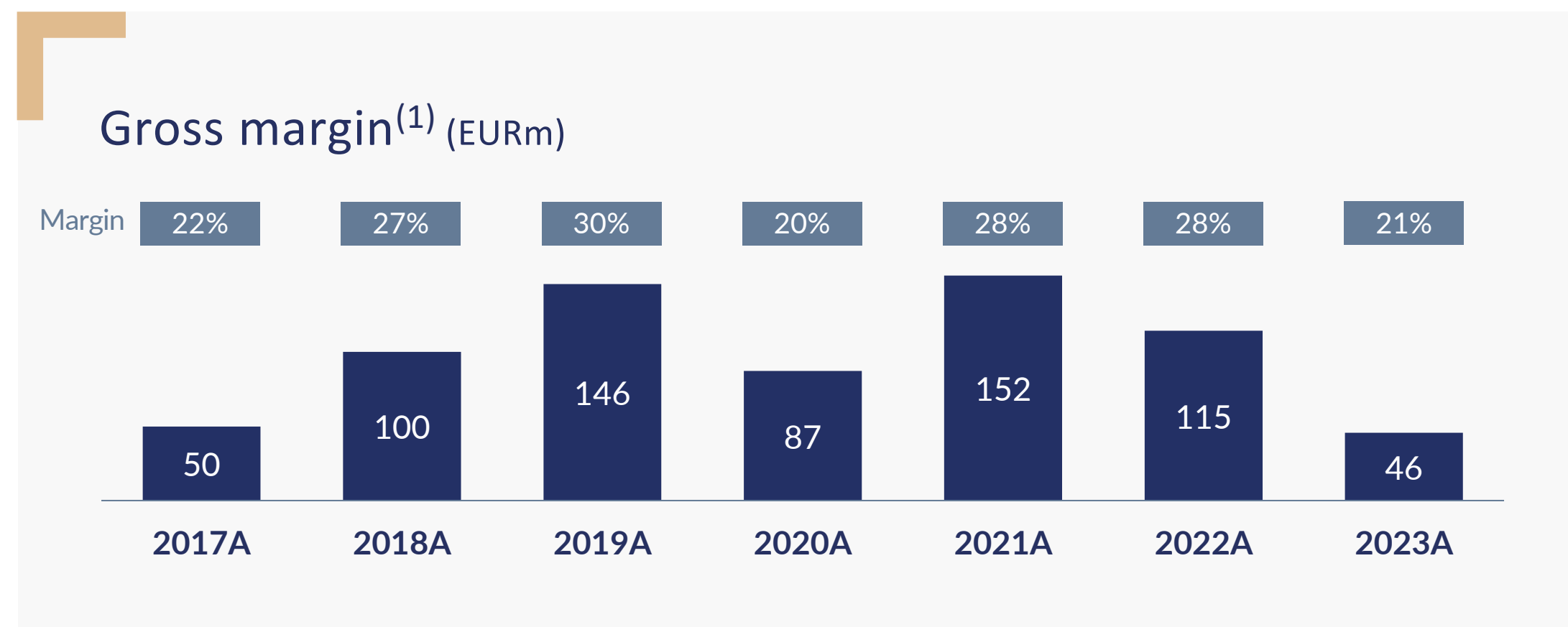
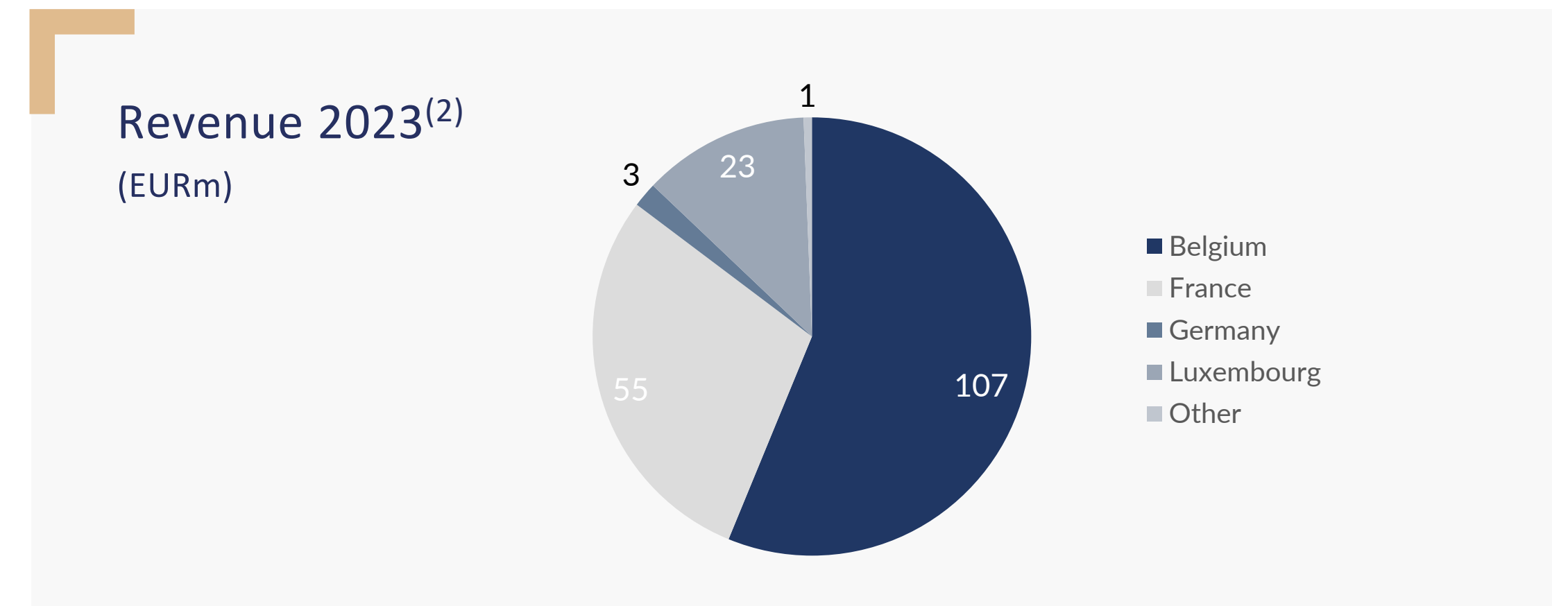
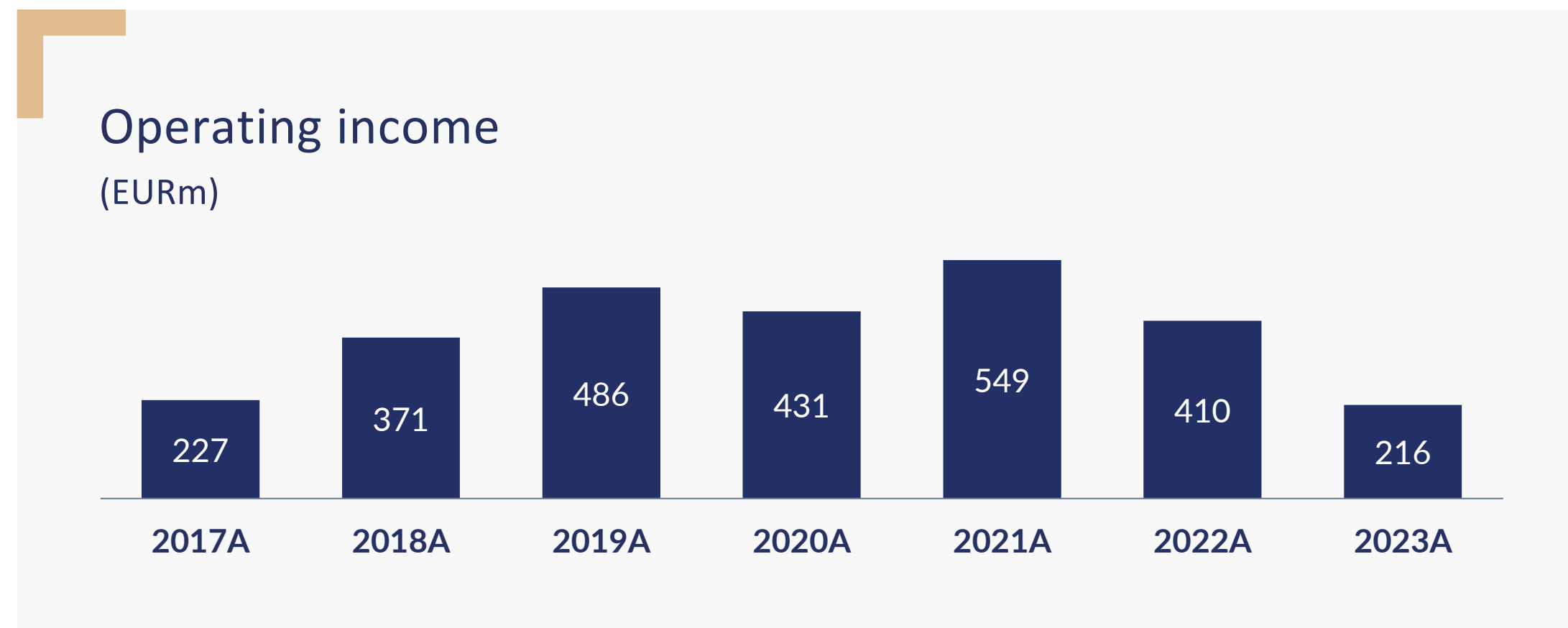
Underlying net result of EUR 12 m



04 Financial performance

P&L

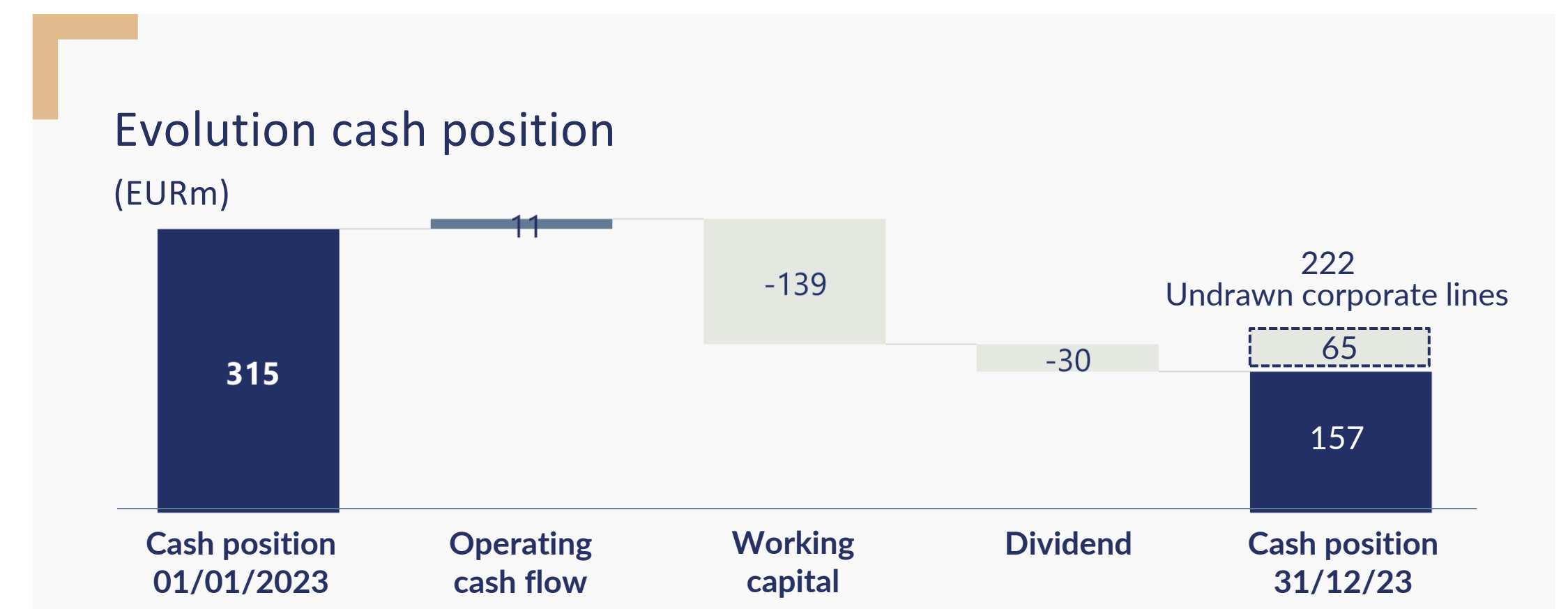
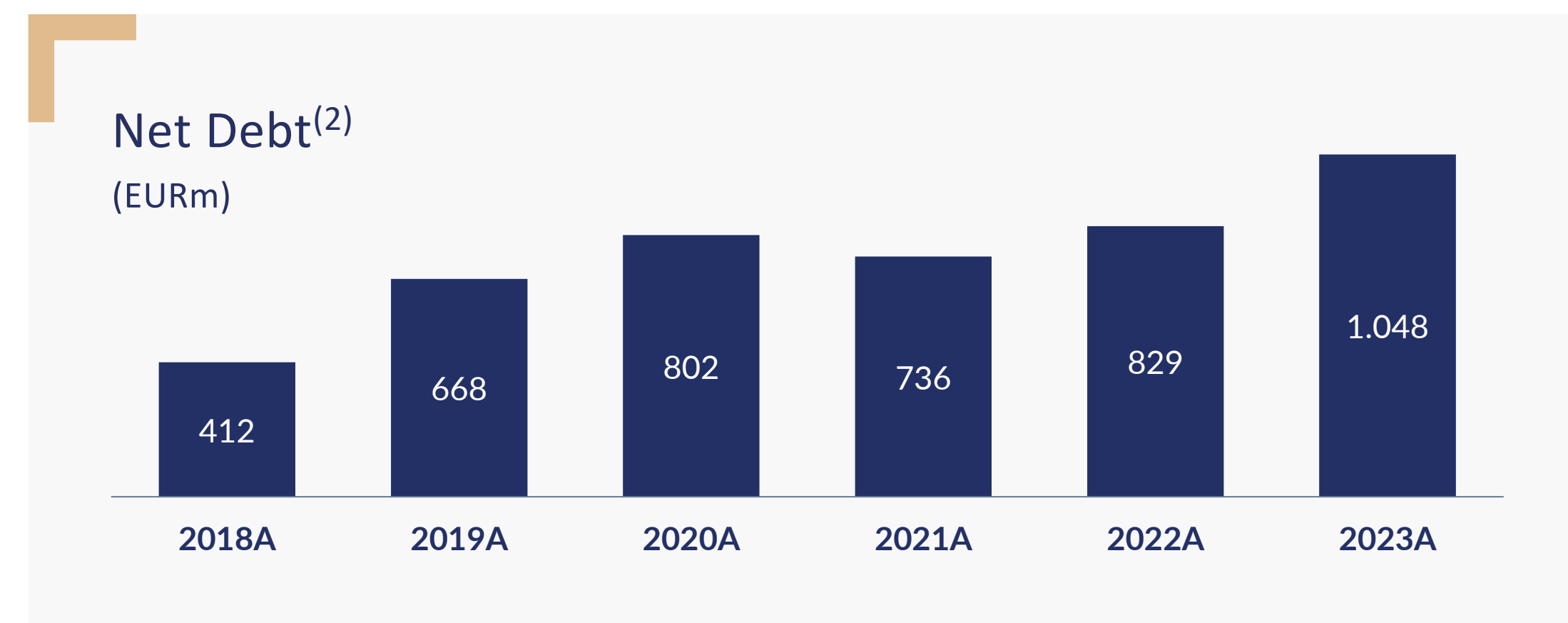
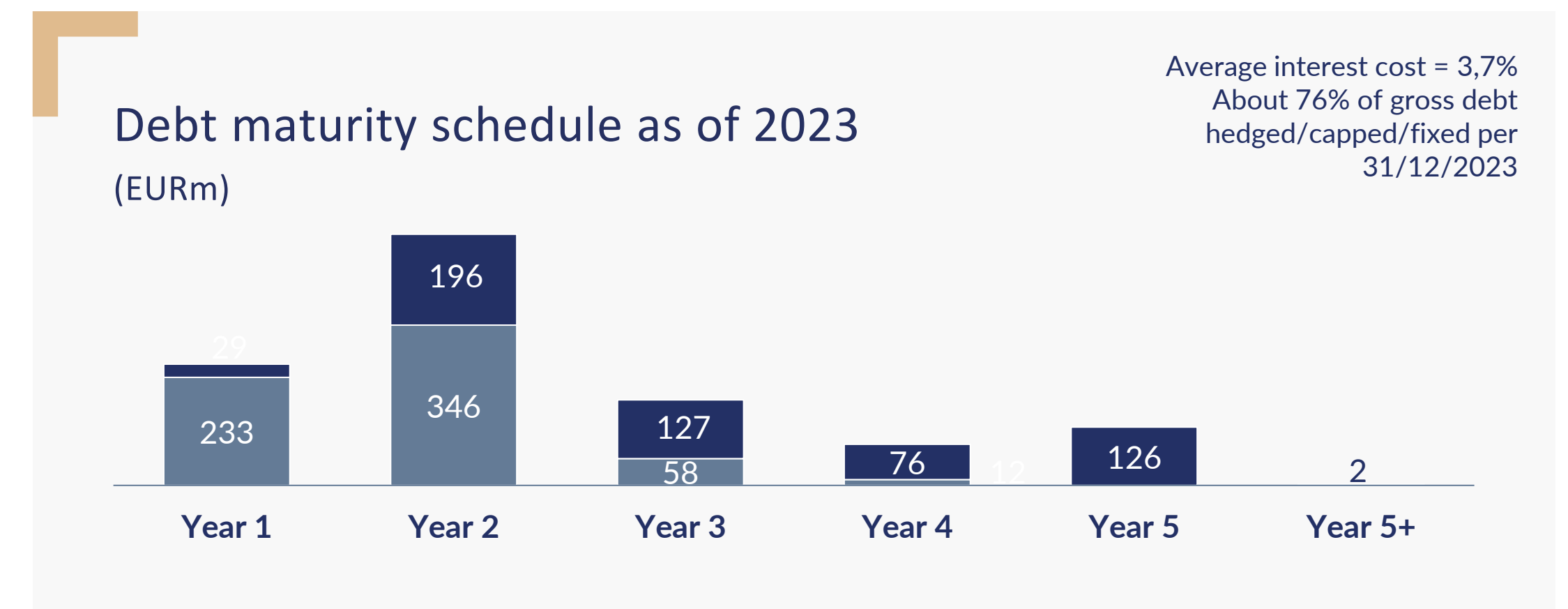
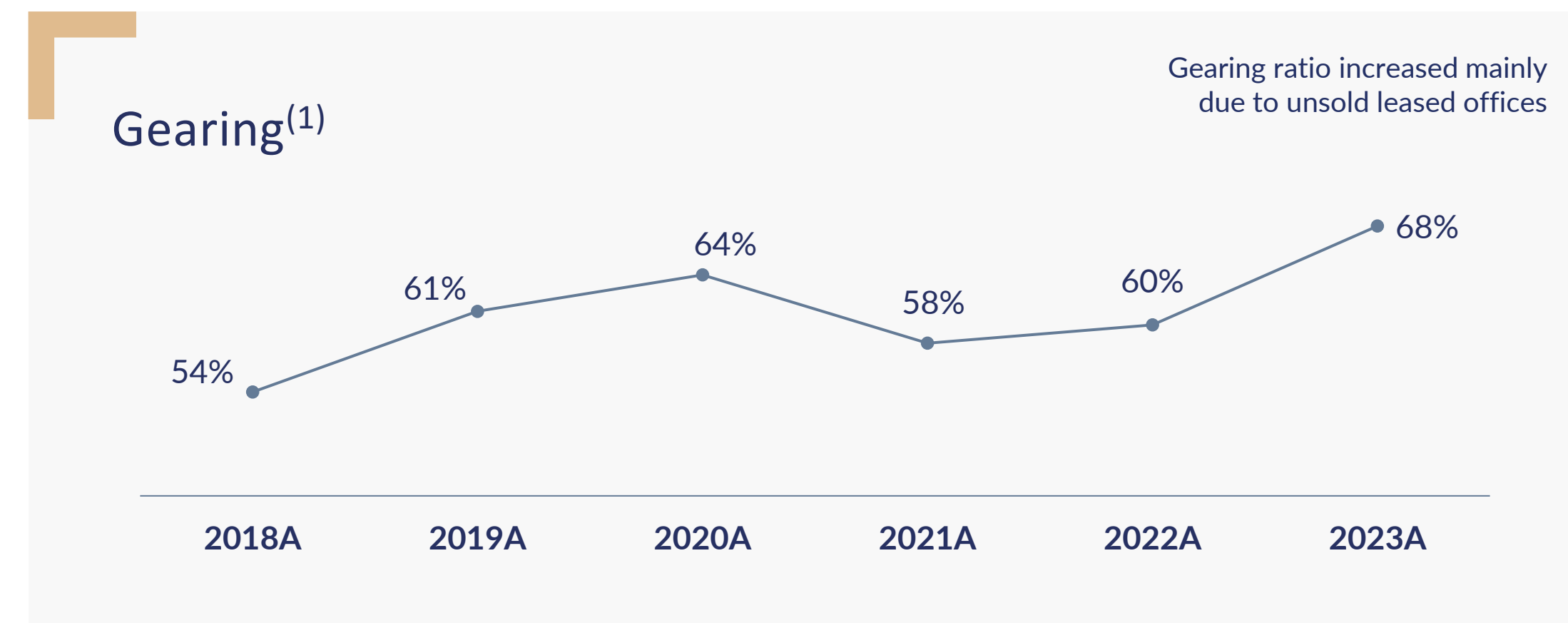
Despite lower operating income, gross margin remains healthy



04 Financial performance

Balance sheet and operating cash flows

Solid balance sheet





OUTLOOK



Outlook

- Expected revenues in 2024 are between €250 and €400 million, compared to €216 million in 2023



APPENDIX



06 Appendix

Profit & loss statement

External view

kEUR	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Operating Income	419,547	375,390	392,815	243,875	162,843
Turnover	408,784	364,479	386,330	236,306	156,378
Other operating income	10,763	10,911	6,484	7,569	6,465
Operating Expenses	-327,192	-333,526	-338,312	-293,572	-189,217
Cost of sales	-291,027	-300,766	-311,066	-208,866	-137,430
Cost of commercialisation	-3,160	-1,702	-0,439	-0,204	0,000
Administration costs	-33,005	-31,057	-26,807	-84,503	-51,788
Transfer of Businesses	19,618	0,133	0,025	0,000	0,000
Gain on disposal of businesses	19,618	0,133	0,025	0,000	0,000
Joint Ventures and Associates	4,985	6,994	44,531	67,181	3,001
Gain (loss) on sales of joint ventures and associates	-	-1,000	0,000	0,000	0,000
Share in the net result of joint ventures and associates	4,985	7,994	44,531	67,181	3,001
Operating Result	116,958	48,991	99,058	17,483	-23,374
Interest income	3,240	5,773	4,983	4,398	10,513
Interest expense	-7,524	-11,859	-6,605	-4,272	-9,865
Other financial income	0,738	1,440	0,081	0,103	1,847
Other financial expenses	-1,782	-2,649	-3,552	-4,584	-4,447
Financial Result	-5,328	-7,295	-5,094	-4,355	-1,952
Result from continuing Operations before Taxes	111,630	41,696	93,964	13,128	-25,326
Income taxes	-9,390	-8,650	-1,619	-2,755	-12,261
Result from continuing Operations	102,240	33,047	92,345	10,373	-37,587
Result of Year	102,240	33,047	92,345	10,373	-37,587
Share of non-controlling interests	196	-775	-195	350	-836
Share of Immo	102,436	32,272	92,150	10,723	-38,423



06 Appendix

Balance sheet

External view

kEUR	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Non-current assets	213,311	448,370	506,258	362,294	367,090
Goodwill	43,789	43,789	43,789	0,000	0,000
Intangible assets	0,543	0,582	0,246	1,357	1,693
Property, plant and equipment	0,983	1,388	2,793	4,122	3,425
Assets under capital lease obligations	6,441	4,390	3,772	9,937	9,017
Investment property	81,123	197,149	173,999	67,686	60,146
Investments in joint ventures and associates	55,899	106,195	156,532	144,891	167,312
Advances to joint ventures and associates	9,492	76,644	101,670	111,527	109,208
Other non-current financial assets	4,920	0,175	1,015	0,000	1,422
Deferred tax assets	6,374	16,369	21,292	21,733	13,455
Other non-current assets	3,747	1,689	1,151	1,042	1,411
Current assets	1,087,903	982,768	1,178,890	1,385,733	1,361,199
Inventories	694,580	683,121	698,623	985,726	1,118,165
Trade receivables	72,516	33,168	38,116	17,591	24,198
Contract assets	42,228	57,251	117,953	42,148	22,480
Tax receivables	2,703	3,450	1,369	0,988	1,986
Other current assets	41,937	37,269	36,240	56,217	49,042
Advances to joint ventures and associates	77,743	20,399	13,163	3,450	10,551
Other current financial assets	0,050	0,049	0,049	3,689	2,696
Cash and cash equivalents	156,146	148,059	273,377	275,926	132,080
Total assets	1,301,214	1,431,137	1,685,148	1,748,027	1,728,289

kEUR	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total equity	428,162	494,490	582,920	573,139	501,674
Equity share of immobel	426,151	491,922	571,568	556,552	484,797
Share capital	97,256	97,257	97,257	97,257	97,257
Retained earnings	328,693	392,142	472,630	456,249	383,151
Reserves	0,202	2,524	1,681	3,046	4,390
Non-controlling interests	2,011	2,568	11,352	16,588	16,877
Non-current liabilities	523,379	609,602	535,104	744,480	815,709
Employee benefit obligations	0,633	0,603	0,996	0,567	0,144
Deferred tax liabilities	15,447	37,301	26,352	21,136	22,676
Financial debts	507,008	571,139	507,596	722,777	787,946
Derivative financial instruments	0,291	0,560	0,160	0,000	4,943
Trade payables	-	0,000	0,000	0,000	0,000
Current liabilities	349,673	327,045	567,124	430,408	410,905
Provisions	3,882	2,114	2,328	3,829	3,802
Financial debts	200,063	180,810	359,094	179,723	176,182
Derivative financial instruments	-	0,000	0,000	0,000	0,000
Trade payables	59,564	60,927	83,546	98,384	80,718
Contract liabilities	5,690	3,896	21,969	51,485	81,549
Tax liabilities	1,354	7,110	13,768	13,058	2,154
Other current liabilities	79,120	72,188	86,419	83,929	66,501
Total equity and liabilities	1,301,214	1,431,137	1,685,148	1,748,027	1,728,289



06 Appendix

Profit & loss statement

Internal view

kEUR	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Operating Income	486,298	431,153	549,046	409,516	215,674
Turnover	470,626	413,751	526,799	377,377	189,820
Other operating income	15,672	17,402	22,247	32,139	25,854
Operating Expenses	-379,551	-378,746	-430,390	-386,615	-227,511
Cost of sales	-340,310	-341,373	-396,929	-294,770	-169,865
Cost of commercialisation	-3,253	-2,410	-0,439	-0,215	0,000
Administration costs	-35,988	-34,964	-33,022	-91,630	-57,645
Transfer of Businesses	19,618	0,133	0,025	0,000	0,000
Gains on disposal of businesses	19,618	0,133	0,025	0,000	0,000
Joint Ventures and Associates	-2,563	0,090	0,063	0,105	-0,004
Gain (loss) on sales of joint ventures and associates	-	-	-	-	-
Share in the net result of joint ventures and associates	-2,563	0,090	0,063	0,105	-0,004
Operating Result	123,802	52,630	118,744	23,005	-11,840
Interest income	2,374	4,810	3,835	3,330	9,197
Interest expense	-9,394	-12,587	-13,299	-8,020	-18,634
Other financial income / expenses	-0,949	-0,973	-0,043	-4,834	-3,046
Financial Result	-7,969	-8,750	-9,507	-9,524	-12,483
Result from continuing Operations before Taxes	115,833	43,880	109,237	13,482	-24,323
Income taxes	-13,482	-10,587	-17,596	-3,710	-13,684
Result from continuing Operations	102,351	33,293	91,641	9,772	-38,007
Result of Year	102,351	33,293	91,641	9,772	-38,007
Share of non-controlling interests	85	-21	509	951	-416
Share of Immobel	102,436	33,272	92,150	10,723	-38,423



06 Appendix

Balance sheet

Internal view

kEUR	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Non-current assets	252,412	420,272	428,872	258,956	242,962
Intangible and tangible assets	51,756	50,200	50,663	15,416	14,136
Investment property	179,597	294,494	274,665	133,520	124,902
Investment in associates	16,000	53,004	74,889	79,107	77,866
Deferred tax assets	8,321	19,813	25,656	27,008	18,716
Other non-current assets	12,722	2,761	2,999	3,904	7,342
Current assets	1,279,702	1,356,329	1,638,612	1,840,242	1,833,033
Inventories	860,718	997,161	1,017,976	1,360,703	1,538,276
Trade receivables	80,498	39,327	44,632	24,309	32,189
Tax receivables and other current assets	160,521	145,363	207,090	139,968	105,529
Cash and cash equivalents	177,965	174,478	368,914	315,261	157,039
Total assets	1,532,114	1,776,600	2,067,484	2,099,198	2,075,994

kEUR	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total equity	426,182	492,907	582,798	572,644	500,793
Non-current liabilities	642,663	731,077	687,120	848,378	973,091
Financial debt	625,530	685,169	651,775	825,453	943,790
Deferred tax liabilities	16,209	44,745	34,190	22,358	24,125
Other non-current liabilities	924,000	1,163	1,155	0,567	5,176
Current liabilities	463,269	552,616	797,566	678,176	602,110
Financial debts	219,978	291,112	453,077	318,445	261,724
Trade payables	75,884	83,177	98,943	113,780	93,735
Tax payables and other current liabilities	167,407	178,327	245,545	245,952	246,651
Total equity and liabilities	1,532,114	1,776,600	2,067,484	2,099,198	2,075,994



Definitions

- Gross development value

Sales value or gross development value is the total expected future turnover (group share) of a project or all projects in the current portfolio (including projects subject to conditions precedent for which the management judges there is a high likelihood of closing).

- External view

Official IFRS reported figures of the company

- Internal view

External view figures before the application of IFRS 11

- Inventory

Inventories plus investment properties and investments in contract assets

- Operating cash flow excluding investments

Cash margin + project management fees – overhead costs (excluding exceptional costs)

- Gearing

Net debt / (net debt + equity)





Thank you



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[Immobel](#) is the largest listed real estate developer in Belgium (Euronext Brussels: [IMMO](#)). The Group, which dates back to 1863, creates high-quality, future-proof urban environments with a positive impact on the way people live, work and play, and specialises in mixed real estate. With a market capitalisation of about EUR 216 million end 2023 and a portfolio of more than 1,300,000 m² of project development in 7 countries (Belgium, Grand Duchy of Luxembourg, Poland, France, Spain, Germany and the United Kingdom), Immobel occupies a leading position in the European real estate landscape. The group strives for sustainability in urban development. Furthermore, it uses part of its profits to support good causes in the areas of health, culture and social inclusion.

Approximately 150 people work at Immobel.

For more information: immobelgroup.com

