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PRESS RELEASE

Regulated information

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IMMOBEL continues in its international growth and confirms its dividend increase of 10 %

- IMMOBEL's revenues in the first half of 2018 increased by 77 % to EUR 97.7 million while its net income (Group share), amounted to EUR 15 million.
- The results for the first half of 2018 show strong growth driven by increased residential sales. This trend is expected to continue in the second half of 2018.
- The sale of an office building in the centre of Warsaw (Cedet) is expected to contribute significantly to the results for 2018.
- IMMOBEL has already exceeded its 2018 acquisition target by 30 % by adding more than 130,000 m² of mainly residential projects in Belgium to its portfolio. This was achieved through the acquisition of a stake in the development company Urban Living Belgium, as well as 5,700 m² of offices in Luxembourg.
- The company's balance sheet remains strong, with equity of EUR 302.7 million and net debt of EUR 308.4 million as at the end of June 2018. This position gives it the necessary financial leeway for further growth and diversification of earnings.
- For the full year 2018, IMMOBEL is confirming an increase of 10 % in the dividend.

Strong financial results ...

The table below provides the key consolidated figures for the first six months of the year (EUR million):

Results	30/06/2018	30/06/2017	Variance
Revenues	97.7	55.1	+77%
Net income Group share	15.0	5.3	+183%

Balance sheet	30/06/2018	31/12/2017	Variance
Equity	302.7	303.6	-0,3%
Net debt	308.4	251.0	+23%



- The increase in **revenue** was driven by higher sales in the residential segment across Belgium, Luxembourg and Poland. This was mainly generated by a portfolio of residential projects in Belgium amounting to EUR 53.6 million (among which Parc Seny (EUR 11.1 million), O’Sea (EUR 8.4 million), Lake Front (EUR 6.3 million), Chambon (EUR 5.5 million) and Greenhill Park (EUR 4.5 million)), in Luxembourg amounting to EUR 36.5 million (Infinity) and in Poland amounting to EUR 5.7 million (Granary Island).
- Strong **growth in net income** was driven by revenue-related developments and the contribution of joint-venture projects in Belgium and Luxembourg (among which Universalis Park and Ernest).
- The increase in **net debt** mainly reflects the reduction in cash resulting from, among other things, the acquisition of Urban Living Belgium, the reimbursement of a bond and the payment of the 2017 dividend.

... driven by strong performance of its portfolio

The current development portfolio encompasses 822,000 m², 800,000 m² of which are spread across Belgium, Luxembourg and Poland and 22,000 m² of which represent a 15 % stake in Nafylian & Partners, an affiliate for residential development in France.

In **Belgium**, IMMOBEL continued with over 10 residential projects launched in 2017 (154,200 m²).

- Various major projects are currently being commercialised and are in the construction phase. The table below illustrates the excellent sales performance of IMMOBEL’s teams:

Project	m ²	% sold	Construction	Completion
Universalis Park	110,000	65 % (of phase 1)	started Q4 2015	Q4 2018
O’Sea	88,500	67 % (of phase 1)	started Q1 2017	Q2 2019
Mobius	60,000	100 % (of phase 1)	started Q1 2018	Q4 2019
Ernest	50,000	100 % (of phase 1)	started in 2014	2016
		70 % (of phase 2)	started Q4 2017	Q2 2020
Lake Front	12,000	100 % (of phase 1)	started Q3 2014	Q3 2016
		100 % (of phase 2)	started Q2 2016	Q3 2018
Riverview	11,000	89 %	started Q3 2015	Q4 2017
Parc Seny	13,200	45 %	started Q4 2017	Q2 2019
Royal Louise	8,000	30 %	started Q1 2018	Q2 2020
Greenhill Park	6,000	68 %	started Q3 2017	Q3 2019
t Zout	4,700	46 %	started Q4 2017	Q3 2019



- The permit application has been submitted for various projects such as the second phase of O'Sea (24,000 m²), Universalis Park (57,000 m²), De Brouckère (43,800 m²), Îlot Saint-Roch (26,000 m²) and Lebeau (41,000 m²).
- The Landbanking department (400 hectares) posted turnover of EUR 8.5 million in the first half of 2018.

In Luxembourg, IMMOBEL achieved a turnover of EUR 36.5 million in the first half of 2018 following the remarkable success of the commercialisation of mainly residential projects under development.

The table below indicates various major projects that are currently pre-sold:

Project	m ²	% sold	Construction	Completion
Livingstone	36,000	99 % (of phase 1)	started Q4 2018	Q4 2020
		99 % (of phase 2)	started Q1 2018	Q1 2020
Infinity	33,300	100 % (Working & Shopping)	started Q4 2017	Q4 2019
		94 % (living)	started Q4 2017	Q2 2020
Fuussbann	8,100	90 %	started Q1 2017	Q2 2019

- Furthermore, the Polvermillen project (26,600 m²) is in the permit application stage.

In Poland, IMMOBEL achieved a turnover of EUR 5.7 million from residential sales, mainly through the first phase of the Granary Island project (62,000 m²), which is already 81 % pre-sold.

- IMMOBEL has submitted a building permit application for the subsequent phases of the Granary Island project (41,700 m²). In addition, the construction phase of the Central Point building (18,000 m² offices) in the centre of Warsaw has begun.
- IMMOBEL is planning to sell the Cedet office building (23,000 m²), the office areas of which have already been fully let, by the end of 2018 to an Asian investment fund. The sale is expected to have a very positive impact on the net result for the second half of 2018.

In France, IMMOBEL is working on the integration of its affiliate for residential development, Nafilyan & Partners, of which it currently owns 15 % and which is to be gradually acquired in full by 2020. The turnover of Nafilyan & Partners amounted to EUR 57.5 million for the first six months of 2018, with 22 projects under commercialisation.

For more information about the projects, please [click here](#).



An enhanced & growing international presence

During the first half of 2018, IMMOBEL strengthened the implementation of its strategic business plan, focusing on residential development and international expansion. The objective is to set up a diversified portfolio generating growth and recurring results. *"We already expect more than 50 % of net results to come from the residential sector this year across the 4 geographical zones in which we are active, and this trend is set to continue in the coming years"*, explains Alexander Hodac, CEO IMMOBEL Group.

- IMMOBEL has already exceeded its 2018 acquisition target by taking a 30 % stake in Urban Living Belgium (\pm 130,000 m² - IMMOBEL's share with 10 projects) in order to expand its development portfolio, mainly in Flanders (Antwerp and Ghent), but also Wallonia (Liège).
At the end of July, IMMOBEL acquired the company Thomas SA, owner of a 5,700 m² office building located at the entrance to the new major clinic district that is undergoing redevelopment in Luxembourg-Strassen.
- Following a strategic review, IMMOBEL has decided to further strengthen its international presence by entering the office development market in Paris, taking advantage of its position in the residential market in Paris its expertise in office development and through its affiliate Nafilyan & Partners. *"The acquisition of Nafilyan & Partners was a first step in the development of a larger Paris-based platform. Beyond the residential market, Paris offers genuine opportunities for offices, supported by a positive economic environment in France and Europe"*, explains Marnix Galle, Executive Chairman of IMMOBEL Group. *"This is why we hired Julien Michel, Head of Office Development and formerly with AXA Investment Managers France, who will be in charge of launching office development operations at IMMOBEL France starting on 15 October"*, he adds.
- IMMOBEL has also backed the services of a new CFO for the Group, Karel Breda, who holds a degree from KU Leuven and an MBA from the University of Chicago. Before joining IMMOBEL, Karel Breda was CFO for the South Asia, Middle East and Africa region for GDF Suez (2011). He then moved to Engie E&P in the Netherlands (2014) and subsequently became Engie Solar's CEO for the Middle East, Asia and Turkey. His international experience and in-depth knowledge of major corporate structures will provide IMMOBEL with insight that is essential to the company's further expansion into European markets.



Capital structure: an enabler for further growth

- The solidity of IMMOBEL's balance sheet, with an equity position of EUR 302.7 million and net debt of EUR 308.4 million, gives the company sufficient financial leeway to further grow its portfolio and therefore its earnings.

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About IMMOBEL Group:

IMMOBEL is the largest listed Belgian property developer. Ever since it was founded in 1863, the Group has developed and marketed innovative urban projects in response to the needs of cities and their inhabitants. Thanks to its bold strategy and a talented workforce of around a hundred people, IMMOBEL has succeeded in diversifying its expertise in the residential, office, retail and landbanking sectors, and in expanding internationally. It now has market capitalisation of over EUR 500 million and an established position as a market leader. Its portfolio today includes more than 800,000 m² under development in Belgium, the Grand Duchy of Luxembourg and Poland, plus - since December 2017 - 145,000 m² in France as a result of the gradual acquisition of the Nafilyan & Partners Group, taking place between now and 2020.

For more information, please go to www.immobelgroup.com