



IMMOBEL
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PRESS RELEASE

Regulated information

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IMMOBEL achieves EUR 75.1 million EBITDA¹ and EUR 56.8 million net profit² - a record performance

- IMMOBEL more than doubled its revenues in 2018 to EUR 326.1 million while its EBITDA and net profit reached a record level of EUR 75.1 million and EUR 56.8 million respectively, good for an increase in net profit per share from EUR 1.26/share to EUR 6.47/share.
- IMMOBEL exceeded its 2018 acquisition target by almost 90 % by adding 189,200 m² of mostly residential projects to its portfolio in Belgium and Luxembourg.
- The company's balance sheet remains strong, with equity of EUR 344.7 million and net debt of EUR 341.1 million as at the end of 2018, resulting in a gearing level of 50 %. This position gives it the necessary financial leeway for further growth and diversification of earnings.
- 2019, 2020 and 2021 are expected to deliver strong results based on its existing pipeline and European expansion strategy.
- For the 2018 financial year, the board of directors of IMMOBEL is confirming an increase of 10 % in the dividend at EUR 2.42 per share.

Record financial results...

The table below provides the key consolidated figures for the 2018 financial year (EUR million):

Results	31/12/2018	31/12/2017	Variance
Revenues	326.1	149	+ 219 %
EBITDA	75.1	25.8	+ 291 %
Net result Group share	56.8	11	+ 514 %
Net result per share (EUR/share)	6.47	1.26	+ 514 %
Dividend per share (EUR/share)	2.42	2.2	+ 10 %

¹ EBITDA (Earnings Before Interest, Depreciation and Amortization) refers to the operating result before amortization, depreciation and impairment of assets (as included in Administration Costs)

² Net result or profit refers to result for the year (share of IMMOBEL)



Balance sheet	31/12/2018	31/12/2017	Variance
Equity	344.7	306.9	+ 12 %
Net debt	341.1	251.0	+ 36 %

- The doubling of **revenues** was driven by higher sales in the residential segment across Belgium, Luxembourg and Poland (+38 % up to EUR 172.2 million) and the sale of an office building in Poland (EUR 120.1 million). Landbanking contributed EUR 21 million to revenues for 2018.
- Strong **growth in EBITDA and net income** was driven by revenue-related developments and the contribution of joint-venture projects in Belgium and Luxembourg (which include Universalis Park and Ernest - the former Solvay).
- The increase in **net debt** mainly reflects the acquisition of new projects (using the proceeds of the newly-issued bonds for EUR 100 million as well as project financing) and the dividend payout (EUR 19 million), partially offset by other cash flows from operations (including the proceeds from the sale of Cedet and the various projects currently under construction and being marketed). The company ended the year with a cash position of EUR 170.9 million compared to EUR 147.9 million at the end of 2017.

... driven by the strong performance of the portfolio

The current development portfolio encompasses more than 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 Nafilyan & Partners, an affiliate for residential development in France, and a landbank of 400 hectares in Belgium.

In Belgium, IMMOBEL continued working on over 10 residential projects launched in 2017 (154,200 m²) and achieved a turnover of EUR 122.9 million.

- Various major projects are currently being marketed 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 (Phase 1: 15,000)	91 % (of phase 1)	started Q4 2015	Q4 2018
O'Sea	88,500 (Phase 1: 18,000)	75 % (of phase 1)	started Q1 2017	Q2 2019
Mobius	60,000 (Phase 1: 28,000)	100 % (of phase 1)	started Q1 2018	Q4 2019
Ernest	50,000 (Phase 1: 23,800)	100 % (of phase 1)	started in 2014	2016
	(Phase 2: 26,200)	84 % (of phase 2)	started Q4 2017	Q2 2020
Lake Front	12,000 (Phase 1: 7,000)	100 % (of phase 1)	started Q3 2014	Q3 2016
	(Phase 2: 5,000)	96 % (of phase 2)	started Q2 2016	Q3 2018
Riverview	11,000	99 %	started Q3 2015	Q4 2017
Parc Seny	13,200	68 %	started Q4 2017	Q2 2019
Royal Louise	8,000	74 %	started Q1 2018	Q2 2020
Greenhill Park	6,000	76 %	started Q3 2017	Q3 2019
't Zout	4,700	65 %	started Q4 2017	Q3 2019

- The permit application has been or is in the process of being 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 RAC 4 (56,100 m²).
- In addition to the above residential projects in Belgium, Landbanking sold 243 building plots in 2018.

In **Luxembourg**, IMMOBEL achieved a turnover of EUR 61.1 million in 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 (Phase 1: 13,700)	100 % (of phase 1)	started Q4 2018	Q4 2020
	(Phase 2: 9,700)	99 % (of phase 2)	started Q1 2018	Q1 2020
Infinity	33,300 (Working: 6,800 - Shopping: 6,500)	100 % (Working & Shopping)	started Q4 2017	Q4 2019
	(Living: 20,000)	99 % (Living)	started Q4 2017	Q2 2020
Fuussbann	8,100	92 %	started Q1 2017	Q2 2019

- Furthermore, the Polvermillen (26,600 m²) and Nova (previously Centre Etoile) (4,200 m²) projects are in the permit application stage.



In Poland, IMMOBEL achieved a turnover of EUR 129,4 million from the sale of Cedet as well as residential sales through the first phase of the Granary Island project (62,000 m²), which is already 90.9 % 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 sold the Cedet office building (22,300 m²) in November 2018 to an Asian investment fund.

In France, the turnover of Nafilyan & Partners (of which IMMOBEL owns 15 %) amounted to EUR 169.7 million in 2018, with 17 projects being marketed and 822 apartments sold.

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

A coherent Pan-European growth strategy

During 2018, IMMOBEL strengthened the implementation of its strategic business plan, focusing on different types of development (mostly residential and mixed-use) and Pan-European expansion. The objective is to set up a diversified portfolio generating growth and recurring results.

“As expected, more than 50 % of net results came from the residential sector this year across the 4 geographical zones in which we were active in 2018, and this trend is set to continue in the coming years,” says Alexander Hodac, Chief Executive Officer of IMMOBEL Group.

- IMMOBEL exceeded its 2018 acquisition target by almost 90 % by taking a 30 % stake in Urban Living Belgium (± 130,000 m² - IMMOBEL's share with 10 projects) in order to expand its development portfolio, mainly in Flanders (Antwerp and Ghent), but also in 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 Strassen, Luxembourg. Along the same lines, the Group has enhanced its Luxembourg portfolio in premium locations with three major urban projects: Laangfur (22,600 m²), Cat Club (4,300 m²) and Mamer & Beggen (13,800 m²), notably in the context of large-scale operations confirming IMMOBEL as a full partner in city planning. Last but not least, IMMOBEL finished the year by purchasing the company Michaël Ostlund Property NV, owner of the Belliard 5-7 building situated at the intersection of rue Belliard and rue du Commerce at the heart of the European district in Brussels. With this new development, IMMOBEL is back in the European district with the goal of undertaking a major, sustainable project. *“We have real expertise in offices, and we believe more than ever in redeveloping the European district,”* says Alexander Hodac, Chief Executive Officer of IMMOBEL Group.
- Following a strategic review, IMMOBEL has decided to strengthen its international presence further by entering the office development market in Paris. *“Paris offers genuine opportunities for offices, supported by a positive economic environment in France and Europe,”* says Marnix Galle, Executive Chairman of IMMOBEL Group. *“This is why we hired Julien Michel, Managing Director IMMOBEL France, Commercial Property, who is in charge of our office development operations at IMMOBEL France and who has already built a dynamic team to move forward on the market. Currently the team has entered into exclusive negotiations for over 40.000 m² of office developments.”* he adds.
- IMMOBEL and Fort Partners have entered exclusive negotiations with the Four Seasons Group with a view to developing a residential and hotel resort called “Four Seasons” in Marbella. This project embodies the Group's desire to implement its diversification strategy and to invest in new sectors.



- Recently, IMMOBEL Group chose to invest in the German market by acquiring the iconic 20,000 m² residential project in Frankfurt, confirming its ambitions and unabated consolidation of its European presence. *“This acquisition demonstrates IMMOBEL Group’s interest in Germany, where we are seeking more projects, to create growth and results as we do with other subsidiaries,”* explains Karel Breda, new CFO of the Group.

Capital structure: an enabler for further growth

- The strength of IMMOBEL’s balance sheet, with an equity position of EUR 344.7 million and net debt of EUR 341.1 million, resulting in a gearing level of 50 %, gives the company sufficient financial leeway to grow its portfolio and therefore its earnings further.
- The company successfully placed retail bonds amounting to EUR 100 million and ended 2018 with a cash position of EUR 170.9 million.

Dividend

- For the 2018 financial year, the Board of Directors of IMMOBEL confirms an increase of 10 % in the dividend, at EUR 2.42 per share, payable in cash.

IMMOBEL Corporate Social Responsibility

As agreed by the Board of Directors, up to 1 % of the net profit of the Group will be allocated to charities. *“We are working on becoming a CO₂-efficient company. Our projects must bring economic, social and wellbeing benefits to their communities with the smallest possible footprint,”* says Marnix Galle, Executive Chairman. *“Honesty and transparency are our core corporate values and will be implemented more intensely than ever across the company,”* he concludes.

End of liquidity contract

IMMOBEL announces that its liquidity contract with Kepler Cheuvreux will terminate on March 31st, 2019.

Weekly reports are provided on the transactions by means of press releases published on the IMMOBEL website at the following address <https://www.immobelgroup.com/en/press-releases/?year=2019&category=103>.



Financial calendar

Ordinary General Meeting 2019	23 May 2019
Publication of 2019 half-year results	19 September 2019
Ordinary General Meeting 2020	28 May 2020

The statutory auditor, Deloitte Bedrijfsrevisoren CVBA, represented by Kurt Dehoorne, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows, and that the accounting data reported in the press release is consistent, in all material respects, with the draft consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows from which it has been derived.

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About IMMOBEL:

IMMOBEL is the largest listed Belgian property developer. Ever since its foundation in 1863, the Group develops and markets innovative urban projects in response to the needs of cities and their inhabitants. Thanks to its bold strategy and its 200 talents, IMMOBEL has diversified its expertise in various sectors such as residential, offices, retail, urban mixed-use developments, as well as housing estates and hospitality, and has now reached a market capitalisation in excess of EUR 500 million, thereby imposing itself as one of the market leaders. IMMOBEL continues its pan-European expansion with a portfolio exceeding 820,000 m² of developments spread over 6 countries (Belgium, the Grand Duchy of Luxembourg, Poland, France, Spain and Germany) and assumes its corporate responsibility by giving back up to 1 % of its profits in support of charitable projects in the Health, Cultural and Social Inclusion domains. The Group is implementing a sustainable vision for urban development and is working towards becoming a CO₂-efficient company.

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



Appendix - consolidated accounts as at 31 December 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN THOUSANDS €)

ASSETS	NOTES	31/12/2018	01/01/2018	31/12/2017
NON-CURRENT ASSETS		181 670	66 454	66 179
Intangible assets	11	427	405	405
Property, plant and equipment	12	947	1 034	1 034
Investment property	13	104 290	2 960	2 960
Investments in joint ventures and associates	14	46 451	26 452	26 387
Advances to joint ventures and associates	14	24 151	24 345	24 345
Other non-current financial assets		806	1 259	1 259
Deferred tax assets	15	4 501	4 377	4 167
Other non-current assets		97	5 623	5 623
CURRENT ASSETS		784 700	738 985	734 063
Inventories	16	511 837	519 973	518 514
Trade receivables	17	20 734	11 694	11 694
Contract assets	18	10 954	8 280	
Tax receivables		921	165	165
Other current assets	19	22 562	31 246	36 063
Advances to joint ventures and associates		46 328	18 934	18 934
Other current financial assets		478	768	768
Cash and cash equivalents	20	170 886	147 926	147 926
TOTAL ASSETS		966 370	805 439	800 242

EQUITY AND LIABILITIES	NOTES	31/12/2018	01/01/2018	31/12/2017
TOTAL EQUITY	21	344 749	306 958	303 578
EQUITY SHARE OF IMMOBEL		344 633	306 941	303 561
Share capital		97 256	97 256	97 256
Retained earnings		247 174	209 603	206 224
Reserves		203	82	82
NON-CONTROLLING INTERESTS		116	17	17
NON-CURRENT LIABILITIES		332 875	340 185	338 838
Employee benefit obligations	22	618	672	672
Deferred tax liabilities	15	9 681	7 854	6 507
Financial debts	20	322 040	330 090	330 090
Derivative financial instruments	20	536	1 568	1 568
Trade payables		-	-	-
CURRENT LIABILITIES		288 746	158 296	157 826
Provisions	23	1 896	1 355	1 355
Financial debts	20	193 749	68 816	68 816
Derivative financial instruments		-	-	-
Trade payables	24	48 470	41 493	41 493
Contract liabilities	25	7 259	470	
Tax liabilities		5 303	6 211	6 211
Other current liabilities	26	32 069	39 952	39 952
TOTAL EQUITY AND LIABILITIES		966 370	805 439	800 242



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IN THOUSANDS €)

	NOTES	31/12/2018	31/12/2017
OPERATING INCOME		326 131	148 999
Turnover	2	313 420	145 000
Other operating income	3	12 711	3 999
OPERATING EXPENSES		-260 953	-127 082
Cost of sales	4	-235 325	-106 711
Cost of commercialisation	5	-1 193	-2 177
Administration costs	6	-24 435	-18 194
JOINT VENTURES AND ASSOCIATES		5 171	3 379
Gain (loss) on sales of joint ventures and associates	7	- 114	4 368
Share in the net result of joint ventures and associates	7	5 285	- 989
OPERATING RESULT		70 349	25 296
Interest income		2 099	2 199
Interest expense		-5 215	-4 178
Other financial income		1 095	1 152
Other financial expenses		-2 786	-3 941
FINANCIAL RESULT	8	-4 807	-4 768
RESULT FROM CONTINUING OPERATIONS BEFORE TAXES		65 542	20 529
Income taxes	9	-8 629	-9 596
RESULT FROM CONTINUING OPERATIONS		56 913	10 933
RESULT OF THE YEAR		56 913	10 933
Share of non-controlling interests		99	- 102
SHARE OF IMMOBEL		56 814	11 035
RESULT OF THE YEAR		56 913	10 933
Other comprehensive income - items subject to subsequent recycling in the income statement		77	21
Currency translation		77	21
Other comprehensive income - items that are not subject to subsequent recycling in the income statement	22	45	- 560
Actuarial gains and losses (-) on defined benefit pension plans	22	45	- 560
Deferred taxes			
TOTAL OTHER COMPREHENSIVE INCOME		122	- 539
COMPREHENSIVE INCOME OF THE YEAR		57 035	10 394
Share of non-controlling interests		99	- 102
SHARE OF IMMOBEL		56 936	10 496
NET RESULT PER SHARE (€) (BASIC)	10	6.48	1.26
COMPREHENSIVE INCOME PER SHARE (€) (BASIC)	10	6.49	1.20
NET RESULT PER SHARE (€) (DILUTED)	10	6.47	1.26
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED)	10	6.48	1.20